

Transcolorado Gas Transmission Company: Original Volume No. 1
Revised Title Page : Superseded

FERC GAS TARIFF
ORIGINAL VOLUME NO. 1
of
TRANSCOLORADO GAS TRANSMISSION COMPANY
filed with the
FEDERAL ENERGY REGULATORY COMMISSION

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Third Revised Sheet No. 1 Third Revised Sheet No. 1 : Superseded

Superseding: Second Revised Sheet No. 1

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Second Revised Sheet No. 2 Second Revised Sheet No. 2 : Superseded
Superseding: First Revised Sheet No. 2

Reserved Sheets

Second Revised Sheet No. 2, First Revised Sheet Nos. 3 through 7
and Original Sheet Nos. 8 and 9 have been reserved.

Effective Date: 12/05/1996 Status: Effective

FERC Docket: CP90-1777-009

Original Sheet No. 3 Original Sheet No. 3 : Superseded

SHEET NO. 3 IS RESERVED FOR FUTURE USE.

Effective Date: 12/05/1996 Status: Effective

FERC Docket: CP90-1777-009

Original Sheet No. 4 Original Sheet No. 4 : Superseded

SHEET NO. 4 IS A MAP THAT IS NOT FILED ELECTRONICALLY

Effective Date: 12/05/1996 Status: Effective
 FERC Docket: CP90-1777-009

Original Sheet No. 5 Original Sheet No. 5 : Superseded

STATEMENT OF RATES

	Maximum Rate/Dth	Minimum Rate/Dth
RATE SCHEDULE FT		
Transportation Reservation Rate (Monthly)	\$1.54321	\$0.0000
Transportation Usage Charge 1/	\$0.00040	\$0.00040
Annual Charge Adjustment 2/	\$0.00200	\$0.00200
GRI Charge 3/ Reservation	\$0.26000	\$0.26000
Usage	\$0.00880	\$0.00000
Authorized Overrun Charge	\$0.05380	\$0.00040
Unauthorized Overrun Charge 4/	\$0.10760	N/A

RATE SCHEDULE IT

Transportation Usage Charge	\$0.05380	\$0.00040
Annual Charge Adjustment 2/	\$0.00200	\$0.00200
GRI Charge 3/	\$0.00880	\$0.00000
Unauthorized Overrun Charge 4/	\$0.10760	N/A

OTHER CHARGES

Fuel Reimbursement Charge: A charge for fuel use and lost and unaccounted-for gas shall be assessed according to Section 3.1(d) and 3.1(c) of Rate Schedules FT and IT, respectively.

Marketing Fee: As negotiated between TransColorado and Shipper when TransColorado actively markets Shipper's released capacity.

Request for Firm Service Fee: 5/

Imbalance Charge: 6/

Imbalance Trading Fee: 2>/Dth with \$500 minimum if TransColorado actively markets and facilitates the trade.

Effective Date: 12/05/1996 Status: Effective
FERC Docket: CP90-1777-009

Original Sheet No. 6 Original Sheet No. 6 : Superseded

FOOTNOTES

- 1/ Released capacity may be sold at a volumetric rate. Shippers releasing capacity on a volumetric basis must specify a rate between the maximum and minimum transportation usage charges stated on Sheet No. 5 to this tariff and notify TransColorado of the criteria by which bids are to be evaluated.
- 2/ The annual charge adjustment is subject to Section 21 of the General Terms and Conditions of this tariff.
- 3/ The GRI charge is not applicable to certain natural gas specified in Section 22.2 of the General Terms and Conditions of this tariff. GRI reservation and usage charges are subject to discounting and shall be the first component of rates reduced as a result of discounting.
- 4/ The unauthorized overrun charge will be equal to twice the maximum transportation usage charge.
- 5/ Refer to Section 5 of the General Terms and Conditions.
- 6/ Refer to Section 12 of the General Terms and Conditions.

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Original Sheet No. 7 Original Sheet No. 7 : Superseded

SHEET NOS. 7 TO 9 ARE RESERVED FOR FUTURE USE.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Third Revised Sheet No. 10 Third Revised Sheet No. 10 : Superseded
Superseding: Second Revised Sheet No. 10

PRELIMINARY STATEMENT

TransColorado Gas Transmission Company, hereinafter referred to as "TransColorado," is a "natural gas company" as defined by the Natural Gas Act (52 Stat. 821, 15 U.S.C. 717-717w) and, as such, is subject to the jurisdiction of the Federal Energy Regulatory Commission, hereinafter referred to as "FERC" or "Commission." As used herein, "TransColorado" shall not include any of TransColorado's affiliates.

TransColorado is a general partnership consisting of two equal equity partners organized and existing under the laws of the state of Colorado. The partners are K N TransColorado, Inc. and Questar TransColorado, Inc. The TransColorado System extends from the Greasewood Hub located in Rio Blanco County, Colorado, to a point of interconnection with El Paso Natural Gas Company and Transwestern Pipeline Company at the Blanco Plant and the Blanco Hub, respectively, located in San Juan County, New Mexico.

This Federal Energy Regulatory Commission Gas Tariff, Volume No. 1, includes general terms and conditions, rate schedules, and forms of agreements for the transportation service provided by TransColorado according to 18 C.F.R. Part 284, Subparts B and G under Rate Schedules FT and IT.

Effective Date: 09/13/2000 Status: Effective
 FERC Docket: RP97-255-011

Eleventh Revised Sheet No. 21 Eleventh Revised Sheet No. 21 : Superseded
 Superseding: Tenth Revised Sheet No. 21

STATEMENT OF NEGOTIATED RATES
 (Rates per Dth/d)

Shipper/Rate Schedule Primary Identification Del.Pt.(s)	Term of Contract	Dth/d	Reservation Charge (s)	Usage Charge (s) 3/	Primary Rec. Point (s)
Burlington Resources Trading Inc. 36105 Inc. 1/ (FT 36106	5-01-98 - 4-30-03	20,000 2/	\$0.000	\$0.05114	36104, 36103 36110
Burlington Resources 5/ Trading Inc. (IT) 9/	9-1-99 - 8-31-06	up to 50,000	\$0.000	4/	5/
CIG Resources Company (FT) 6/	2-1-00 - 12-31-07	25,000	6/	\$0.00243	6/
Western Gas Resources, Inc. (FT) 6/	4-1-00 - 12-31-07	25,000	6/	\$0.00243	6/
Questar Energy Trading (FT) 36105	9-15-00 - 9-30-00	5,000	7/	\$0.0021	36100
Enserco Energy, Inc. (FT) 36105	9-13-00 - 9-30-00	10,000	8/	\$0.0021	36100

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00-25-000

Second Revised Sheet No. 12 Second Revised Sheet No. 12 : Superseded
Superseding: First Revised Sheet No. 12

Reserved Sheets

Second Revised Sheet No. 12, First Revised Sheet Nos. 13 through 15 and
Original Sheet Nos. 16 through 19 have been reserved.

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

transportation under this rate schedule, including those transported pursuant to Section 2.2 of this rate schedule.

- (h) Balancing Charges. An additional charge may be assessed in accordance with Section 12 of the General Terms and Conditions.
 - (i) Marketing Fee. Shipper and TransColorado may agree upon a fee to be paid by Shipper to TransColorado when TransColorado actively markets any capacity that is released and reassigned by Shipper.
 - (j) Imbalance Trading Fee. Shipper shall pay TransColorado a fee according to Section 12 of the General Terms and Conditions for any imbalance trades that are actively marketed and facilitated by TransColorado.
 - (k) Other Charges. TransColorado shall charge Shipper for any other FERC-approved charges that may apply to service under this rate schedule.
- 3.2. Rate Changes. TransColorado may from time to time file with the FERC to change the rates set forth on the Statement of Rates applicable to service under this rate schedule. TransColorado shall be entitled to implement such changed rates for service rendered to Shipper under this rate schedule on their effective dates, subject to such refunds, surcharges or other conditions that are specified as terms of the transportation service agreement or that are permitted or required by the FERC. Nothing in this section limits Shipper's rights to contest such changes, nor limits the rights of Shipper and TransColorado to provide for changes in rates through the terms of the transportation service agreement.
- 3.3 Flexible Rates. Nothing in this tariff limits TransColorado's right to implement different rates in transportation service agreements with other Shippers under this rate schedule within the ranges set forth in the Statement of Rates. TransColorado may, upon three business days' notice prior to the beginning of any month and through use of its computer-operated bulletin board, offer a discounted rate at which it is willing to transport gas during the succeeding month. TransColorado shall state the effective date of the rate change as well as the available

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FERC Docket: CP90-1777-009

Original Sheet No. 14 Original Sheet No. 14 : Superseded

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

capacity. A shipper paying a discounted rate at the time of notification may elect to pay a higher rate, or the maximum rate, in order to maintain its priority of service and to avoid or reduce the possibility of interruption. Acceptance of any new rate shall be confirmed in writing in a form similar to that shown as Exhibit B to the transportation service agreement.

4. Receipt and delivery

The primary receipt and delivery points for gas tendered by Shipper to TransColorado will be the points designated in the transportation service agreement. Firm Shippers shall have priority over interruptible Shippers at any receipt point or delivery point located within the path of the service for which the Shipper is paying. All other receipt and delivery points on TransColorado's system will be available as alternate points to Shippers under this rate schedule in accordance with Section 8 of the General Terms and Conditions.

5. Regulatory Fees

Shipper shall reimburse TransColorado for all fees required by the FERC or any other regulatory agency to implement the service provided under this rate schedule. No reimbursement will be required for regulatory fees generally applicable to all shippers, e.g., an NGA Section 4(e) rate filing, Section 7(c) certificate application, or to any fee that does not specifically relate to Shipper's transportation service under Rate Schedule FT. TransColorado will issue its statement to Shipper setting forth the fees paid by TransColorado to implement the service. The amount to be reimbursed shall be paid by Shipper with the next payment for service following receipt of TransColorado's statement.

6. General Terms and Conditions

All of the General Terms and Conditions of this tariff are applicable to this rate schedule and are incorporated by reference.

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FERC Docket: CP90-1777-009

Original Sheet No. 15 Original Sheet No. 15 : Superseded

SHEET NOS. 15 TO 19 ARE RESERVED FOR FUTURE USE.

Effective Date: 10/01/2002 Status: Effective
 FERC Docket: RP02-509-000

Seventh Revised Sheet No. 20 Seventh Revised Sheet No. 20 : Superseded
 Superseding: First Revised Sixth Revised Sheet No. 20

STATEMENT OF RATES
 (Rates per Dth per \$)

Rate Schedule/ Type of Charge (a)	Base Tariff Rate (b)	Annual Charge Adjustment (c)	Currently Effective Rate (d)
FIRM TRANSPORTATION - FT			
Monthly Reservation Charge 1/			
Maximum	9.3194	-	9.3194
Minimum	0.0000	-	0.0000
Optional Volumetric Release			
Maximum	0.3064	-	0.3064
Minimum	0.0000	-	0.0000
Usage Charge			
Maximum	0.0014	0.0021	0.0035
Minimum	0.0014	0.0021	0.0035
Authorized Overrun Charge			
Maximum	0.3239	0.0021	0.3260
Minimum	0.0014	0.0021	0.0035
Unauthorized Overrun Charge	15.0000	-	15.0000
INTERRUPTIBLE TRANSPORTATION - IT			
Usage Charge			
Maximum	0.3239	0.0021	0.3260
Minimum	0.0014	0.0021	0.0035
Unauthorized Overrun Charge	15.0000	-	15.0000
PARK AND LOAN SERVICE - PALS			
Initial Rate			
Maximum	0.3239	-	0.3239
Minimum	0.0000	-	0.0000
Park/Loan Balance Rate			
Maximum	0.1620	-	0.1620
Minimum	0.0000	-	0.0000
Completion Rate			
Maximum	0.3239	-	0.3239
Minimum	0.0000	-	0.0000
Authorized Overrun 2/ Initial Park/Loan Balance and Completion Rates			
Maximum	0.3239	-	0.3239
Minimum	0.0000	-	0.0000

OTHER CHARGES:

Fuel Reimbursement Charge: A charge for fuel shall be assessed according to Sections 3.1(c) and 3.1(b) of Rate Schedules FT and IT, respectively.

Marketing Fee: As negotiated between TransColorado and Shipper when TransColorado actively markets Shipper's released capacity.

Balancing Charges: Refer to Section 12 of the General Terms and Conditions.

Effective Date: 11/01/2001 Status: Effective

FERC Docket: RP99-106-007

First Revised Original Sheet No. 20A First Revised Original Sheet No. 20A : Superseded
Superseding: Original Sheet No. 20A

STATEMENT OF RATES

Footnotes

1/For rates applicable to capacity-release transactions, see Section 6.13 of the General Terms and Conditions of this Tariff.

2/Each of PALS three rate components are billed at the same level under Authorized Overrun Service. Refer to Section 6.2 of the PALS Rate Schedule for the Unauthorized Overrun Charge.

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 FERC Docket: RP97-255-057

Fifty-Sixth Revised Sheet No. 21 Fifty-Sixth Revised Sheet No. 21 : Superseded
 Superseding: Fifty-Fifth Revised Sheet No. 21

STATEMENT OF NEGOTIATED RATES
 (Rates per Dth/d)

Shipper/Rate Schedule Primary Identification Del.Pts.	Term of Contract	Dth/d	Reservation Charges	Usage Charges	Primary Rec.Pts.
Burlington Resources Trading Inc. (IT) 1/ 3/ 4/ 4/		9-1-99 - 8-31-06		up to	\$0
CIG Resources Company (FT) 5/	2-1-00 - 12-31-07	50,000 25,000	5/	\$0.0021	5/
Western Gas Resources, Inc. (FT) 5/	4-1-00 - 12-31-07	25,000	5/	\$0.0021	5/
Red Cedar Gathering Co. (FT) 1/ 36105, 36106	10-4-01 - 9-30-06	50,000	6/	\$0.0021	36104
Retex, Inc. (FT) 1/ 36105	11-1-02 - 6-30-06	15,000	7/	\$0.0021	39626
Red Cedar Gathering Co. (PALS) 1/ 36103	11-1-01-11-30-01 8/	9/	10/	10/	36103
National Fuel Marketing Co. (FT) 1/ 36106	1-1-03 - 3-31-03	25,000	11/	\$0.0021	36204
36106	4-1-03 - 4-30-03	35,000	11/	\$0.0021	36204
Williams Energy Marketing & Trading 36105 Co. (FT)	1-1-02 -12-31-07	5/	5/	\$0.0021	36101
Cabot Oil & Gas Corp. (FT) 1/ 36105	4-1-02 - 3-31-04	25,000	12/	\$0.0021	39626
ExxonMobil Gas Marketing Co. (FT) 36105, 35106	4-2-02 - 3-31-05	10,000	5/	\$0.0021	39932
ExxonMobil Gas Marketing Company (FT) 5/	8-1-02 - 3-31-05	20,000	5/	\$0.0021	5/

Effective Date: 11/01/2002 Status: Effective
FERC Docket: RP97-255-053

Thirtieth Revised Sheet No. 22 Thirtieth Revised Sheet No. 22 : Superseded
Superseding: Twenty-Ninth Revised Sheet No. 22

Footnotes

1/ This contract does not deviate in any material aspect from the form of service agreement.

2/ Shipper shall also pay the applicable ACA usage surcharge.

3/ The rate will contain a floor of \$0.10 and a ceiling of \$0.30. The monthly rate will be based on the Inside FERC's Gas Market Report, first of the month index for El Paso Natural Gas Co., San Juan Basin:

Index:	Rate	Index:	Rate
Less than \$1.50	\$0.10	\$2.30 to \$2.49	\$0.22
\$1.50 to \$1.69	\$0.12	\$2.50 to \$2.69	\$0.26
\$1.70 to \$1.89	\$0.14	\$2.70 to \$2.89	\$0.28
\$1.90 to \$2.09	\$0.18	\$2.90 and above	\$0.30
\$2.10 to \$2.29	\$0.20		

4/ This transportation service to be provided solely from a receipt point to be established in San Miguel and/or Montrose County, Colorado, to primary delivery points of El Paso Natural gas or Transwestern pipelines in San Juan County, Blanco, New Mexico.

5/ This information is set out in the executed service agreement currently on file with the FERC. The service agreement deviates from the form of service agreement found in TransColorado's FERC Gas Tariff.

6/The Shipper's reservation charge is based on a fifty-percent load factor. This requires the Shipper to pay a reservation charge on the first 25,000 Dth per day multiplied by the number of days in the month, regardless of flow. Once Shipper has satisfied the 50% load factor in any month, the Shipper is only required to pay a transportation charge on the volumes that flow. Shipper's reservation charge for the first 2,500,000 Dth transported will be \$0.15/Dth ($\$4.5625 \times 12 \div 365$). At 2,500,001 Dth, the Shipper's reservation charge will be reduced to \$0.04/Dth ($\$1.2167 \times 12 \div 365$).

To the extent that the Southern Ute Tribe imposes any throughput fees for operation of the supply lateral from the Antler Plant or an increase in ROW fees, any such fees shall be borne by Shipper and shall be reimbursed by Shipper to TransColorado.

7/Shipper's reservation charge is based on a thirty percent load factor. This requires the shipper to pay a reservation charge of \$0.25/Dth ($\$7.6042 \times 12 \div 365$) on the first 136,800 Dth per month, regardless of flow. At 136,801 Dth or more, the shipper is only required to pay this reservation charge on volumes that flow.

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FERC Docket: RP97-255-057

Twenty-Ninth Revised Sheet No. 22A Twenty-Ninth Revised Sheet No. 22A : Superseded
Superseding: Twenty-Eighth Revised Sheet No. 22A
Footnotes

8/This contract is effective month-to month until terminated by prior written notice by either party.
9/The volumes under this contract have a Maximum Daily Quantity of 20,000 Dth and a Maximum Aggregate Quantity of 620,000 Dth.
10/The negotiated rate for this Park and Loan Service will be a monthly fee of \$18,000. Subsequent monthly fees, if any, will be adjusted based on changes in natural gas prices as published by Platts, "INSIDE FERC GAS MARKET REPORT", El Paso Natural Gas, San Juan Basin index. Any changes in the rates herein shall not be effective for renewal of this agreement until mutually agreed to by the parties. Any changes to the monthly fee will be reported to the FERC as a negotiated rate. This agreement will allow Red Cedar Gathering to swing up to 20,000 Dth per day. To the extent TranColorado has a compressor outage and is unable to provide this Park and Loan Service, TransColorado will prorate the monthly fee based on the number of days TransColorado is unable to perform this service.
11/Shipper's reservation charge is based on a seventy-five percent load factor. This requires the Shipper to pay a reservation charge of \$0.35/Dth (\$10.6458 x 12 / 365) on the first "Minimum Dth/month" listed below, regardless of flow. At 581,251 dth or more for January, 525,001 dth or more for February, 581,251 dth or more for March and 787,501 dth or more for April, the Shipper is only required to pay this reservation charge on volumes that flow.

Month	Minimum Dth/month
January	581,250
February	525,000
March	581,250
April	787,500

12/Shipper's reservation charge is based on a thirty percent load factor. This requires the Shipper to pay a reservation charge of \$0.25/Dth (\$7.60417 x 12 / 365) on the first 228,000 Dth per month, regardless of flow. At 228,001 Dth or more, the Shipper is only required to pay this reservation charge on volumes that flow.

Effective Date: 05/26/2000 Status: Effective

FERC Docket: RP97-255-007

Second Revised Sheet No. 23 Second Revised Sheet No. 23 : Superseded
Superseding: First Revised Sheet No. 23

Reserved Sheets

Sheet Nos. 24 through 80 and Original Sheet Nos. 81 through 99 have been reserved.

Effective Date: 12/05/1996 Status: Effective

FERC Docket: CP90-1777-009

Original Sheet No. 24 Original Sheet No. 24 : Superseded

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

SHEET NOS. 24 TO 29 ARE RESERVED FOR FUTURE USE.

Effective Date: 12/05/1996 Status: Effective
FERC Docket: CP90-1777-009

Original Sheet No. 30 Original Sheet No. 30 : Superseded

GENERAL TERMS AND CONDITIONS

These General Terms and Conditions apply to the transportation service provided under Rate Schedules FT and IT of TransColorado's FERC Gas Tariff, Original Volume No. 1.

1. Definitions

- 1.1 "Affiliate-Shipper" means an entity that, either directly or through an affiliate, participates in the equity ownership of TransColorado Gas Transmission Company.
- 1.2 "Alternate receipt or delivery point" means any point where gas is received into or delivered out of TransColorado's system that is not listed as a primary receipt or delivery point in Shipper's Rate Schedule FT transportation service agreement.
- 1.3 "Authorized overrun" means that quantity of gas authorized by TransColorado in excess of the CD specified in the applicable firm transportation service agreement.
- 1.4 "Bidding period" means that period of time that released or uncommitted firm capacity is posted on TransColorado's EBB during which Shippers may bid for capacity.
- 1.5 "Bidding Shipper" means any Shipper that is qualified to bid for capacity through TransColorado's EBB.
- 1.6 "Btu" means one British thermal unit, which is the amount of heat required to raise the temperature of one pound of water one degree from 59 degrees to 60 degrees Fahrenheit. "MMBtu" means one million Btu.
- 1.7 "Capacity release" means the release by a firm Shipper of its capacity.
- 1.8 "Confirmed nomination" means the volume of gas that TransColorado agrees to deliver to Shipper during the applicable nomination period.
- 1.9 "Cubic foot" means the volume of gas which would occupy a space of one cubic foot at a temperature of 60° Fahrenheit and at a pressure of 14.73 pounds per square inch absolute.

GENERAL TERMS AND CONDITIONS
(Continued)

- 1.10 "Curtailment" means reduction or temporary suspension of firm service.
- 1.11 "Contract demand" means the quantity of gas set forth from time to time in the transportation service agreement under Rate Schedule FT.
- 1.12 "Day" means a period of 24 consecutive hours, beginning at 7:00 a.m. Mountain Time.
- 1.13 "Daily quantity" means the quantity of gas set forth from time to time in the transportation service agreement under Rate Schedule IT.
- 1.14 "Delivery point" means a point where TransColorado delivers gas to or for the account of Shipper after transportation.
- 1.15 "Dth, decatherm" means a unit of heating value equivalent to 10 therms or 1,000,000 Btu's.
- 1.16 "EBB" means Electronic Bulletin Board.
- 1.17 "Equivalent volumes" means the sum of the volumes of gas measured in Mcf received by TransColorado for the account of Shipper at the points of receipt during any given period of time, (a) reduced by (i) Shipper's pro rata share of unaccounted-for gas resulting from the operations of TransColorado during the same period of time and (ii) fuel gas (b) adjusted for any variations in Btu content, as corrected for any water vapor in excess of five pounds per million cubic feet of gas. The quantity of gas delivered at the point of delivery after transportation shall be the thermal equivalent of the volumes of gas received at the point of receipt for transportation, after reduction, correction and adjustment as provided above.
- 1.18 "FERC" or "Commission" means the Federal Energy Regulatory Commission or any federal commission, agency or other governmental body or bodies succeeding to, lawfully exercising or superseding any powers that are exercisable by the Federal Energy Regulatory Commission.
- 1.19 "Force majeure event" includes without limitation by this recital: acts of God, including fires, explosions, earthquakes or volcanic eruptions, storms, floods, washouts

GENERAL TERMS AND CONDITIONS
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and extreme cold or freezing weather; necessity for compliance with any court order, law, regulation or ordinance promulgated by any governmental authority having jurisdiction, either federal, state or local, civil or military; acts of a public enemy; wars and civil disturbances; strikes, lockouts or other industrial disturbances; shutdowns for purposes of necessary repairs, relocations, or construction of facilities, breakage or accident to machinery or lines of pipe; the necessity for testing (as required by governmental authority or as deemed necessary for safe operation by the testing party); inability of either party to obtain necessary materials supplies, permits, or labor to perform or comply with any obligation or condition of this tariff; inability to obtain rights of way; and any other causes that are not reasonably in the control of the party claiming suspension.

- 1.20 "Gas" means combustible hydrocarbon gas.
- 1.21 "Gross heating value" means the number of British thermal units produced by the combustion at a constant pressure, of the amount of gas that would occupy a volume of one cubic foot at a temperature of 60° Fahrenheit on a water-free basis and under a pressure equivalent to that of 30.0 inches of mercury at 32° Fahrenheit and under standard gravitational force (acceleration of 980.665 cm/sec²) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air and when the water vapor formed by combustion is condensed to the liquid state.
- 1.22 "Inert substances" means non-combustible substances contained in the gas, including but not limited to helium, carbon dioxide and nitrogen.
- 1.23 "Interruption" means reducing, suspending or discontinuing either the receipt or delivery of gas.
- 1.24 "Mcf" means 1,000 cubic feet of gas. "MMcf" means 1,000,000 cubic feet of gas.
- 1.25 "Month" means the period beginning at 7:00 a.m. on the last day of any calendar month and ending at the same hour on the last day of the succeeding calendar month.

GENERAL TERMS AND CONDITIONS
(Continued)

- 1.26 "Overrun gas" means those quantities of gas tendered for transportation by Shipper on any day in excess of the currently effective contract demand or daily quantity.
- 1.27 "Primary receipt and delivery point" means a receipt or delivery point on TransColorado's system located within the path of service for which the Shipper is paying and has contracted for firm capacity.
- 1.28 "Prospective firm shipper" means an entity that has submitted a request for new or additional firm transportation service.
- 1.29 "Recallable capacity" means firm capacity that is released subject to the releasing Shipper's right to recall capacity during the term of the release.
- 1.30 "Receipt point" means a point where TransColorado receives gas from or for the account of Shipper for transportation on the system.
- 1.31 "Releasing Shipper" means any Shipper holding firm capacity rights under a transportation service agreement under Rate Schedule FT that releases firm capacity.
- 1.32 "Replacement Shipper" means any Shipper that acquires firm released capacity from a releasing Shipper.
- 1.33 "Request for service" means a written or electronic request for initial service, additional receipt or delivery points or additional volumes submitted by any party under Sections 4 or 5 of the General Terms and Conditions.
- 1.34 "Shipper" means any party who (a) is receiving service in accordance with an effective rate schedule under Original Volume No. 1, (b) has executed a service agreement under any rate schedule, or (c) has completed a request for service under Rate Schedules FT or IT.
- 1.35 "System" means the pipeline, appurtenant facilities and any compression and related facilities owned by TransColorado.
- 1.36 "Unaccounted-for gas" means that volume of gas which is the difference between the sum of all input volumes of gas to the system and the sum of all output volumes of

GENERAL TERMS AND CONDITIONS
(Continued)

gas from the system during a month, including gas lost as a result of an event of force majeure, the ownership of which cannot be reasonably identified.

- 1.37 "Unauthorized overrun" means that quantity of gas by which Shipper exceeds, without TransColorado's consent, Shipper's CD.
- 1.38 "Year" means a period beginning January 1 unless otherwise specified of 365 consecutive days or 366 consecutive days if such period includes February 29.

2. ELECTRONIC BULLETIN BOARD (EBB)

- 2.1 TransColorado will provide an EBB system to allow Shippers and other interested parties access to pipeline information. TransColorado's EBB will be available on a nondiscriminatory basis to any party that has compatible computer equipment and communication software and has entered into an access agreement with TransColorado. The access agreement will allow any party to access TransColorado's EBB to read, search, download and post information and release and contract for service.

- 2.2 Access to TransColorado's EBB will be granted through use of a first and last name and a password (access code) that will be assigned and controlled by TransColorado. Each company will also be assigned a signature code.

EBB users will be allowed to download and read data files and bulletins through use of the access code. However, users must provide their signature code before they will be allowed to insert or update a record on the EBB online real-time access screens to request, release or bid for capacity.

- 2.3 TransColorado will also provide the following as required by 18 C.F.R. Section 284.8 (b) (4).
 - (a) Daily backup of Information. TransColorado will maintain backup copies of the data contained on its EBB for 3 years. These copies may be archived to off-line storage but will be provided on computer diskette for a charge of \$50.00 to any party requesting the information from the Director of EBB Services.
 - (b) Current files will be purged of information regarding completed transactions.

GENERAL TERMS AND CONDITIONS
(Continued)

- (c) Entries will be displayed chronologically from latest to earliest.
 - (d) On-line help shall be available to assist the EBB user along with a search function that allows users to locate all information concerning a specific transaction.
 - (e) Menus will allow the user to separately access notices of available capacity, each record in the transportation log and standards of conduct information.
 - (f) Downloading by users.
- 2.4 Shippers may access TransColorado's EBB for general information seven days a week from 2:00 a.m. to midnight. Shippers may access the EBB to release, bid and contract for capacity from 6:00 a.m. to 6:00 p.m. each working day. Except as required by operational necessity, TransColorado's EBB will be down only from 12:01 to 1.59 a.m. daily.
- 2.5 In addition to the information and processes for the capacity release program described in Section 6 of these General Terms and Conditions, TransColorado will provide the following information on its EBB:
- (a) General operational information such as hourly flow information and nominations, cumulative daily imbalance, daily allocation of receipt and delivery points, etc.
 - (b) Available capacity at receipt and delivery points.
 - (c) Whether the capacity is available from TransColorado or through the capacity release program.
 - (d) Effective rates for firm and interruptible service.
 - (e) Service request and acquisition forms allowing Shippers and potential Shippers to request or change firm or interruptible service electronically through the EBB.
 - (f) Standards of conduct relating to service.
 - (g) Discounts granted for service to affiliates.
 - (h) General information and news items relating to rates, available capacity, expansions, etc.

GENERAL TERMS AND CONDITIONS
(Continued)

2.6 A request for an access agreement shall be submitted to:

Director, EBB Services
TransColorado Gas Transmission Company
79 South State Street
Salt Lake City, Utah 84111

Phone (801) 534-5092
FAX (801) 534-5838

The request shall include the company name, address, and telephone number and the name and title of person requesting access. TransColorado will process the request for access and provide the requesting party with an access agreement. An access code will be issued and a password may be selected after the requesting party returns the executed access agreement to TransColorado.

3. CONTRACTING

3.1

(a) Procedures. Generally, all requests or bids for service, contracting for service, changes to a Shipper's service agreement, releasing capacity and bidding on released capacity must be made through TransColorado's EBB.

(b) Form of the Agreement. Unless requested by Shipper, no written contract or documents will be issued by TransColorado. The terms and conditions of this tariff together with the terms of Shipper's service documented on the completed service agreement on TransColorado's EBB will constitute the terms of the transportation service agreement between TransColorado and the Shipper.

3.2

Signature Code. TransColorado and Shipper will indicate acceptance of a contract by electronically executing the agreement by use of an electronic signature code. The use of a party's signature code on any EBB transaction screen will be deemed to be the party's consent to be bound by the transaction unless the party's bid is withdrawn as specified in Section 6.3.

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(Continued)

3.3 Acquiring Transportation Service.

- (a) After complying with the requirements of Sections 2 and 18 of these General Terms and Conditions, a party may bid for firm service or request interruptible service on TransColorado's system through TransColorado's EBB.
- (b) After receiving a request for interruptible service, TransColorado will evaluate Shipper's service request and respond to Shipper within five business days. Once the request has been evaluated and approved, TransColorado will issue a completed service agreement on the EBB containing the terms of the service that TransColorado will provide. Placement of the completed service agreement on the EBB will be TransColorado's assent to the contract and notice to the Shipper of the contract.
- (c) A Shipper bidding for uncommitted firm capacity from TransColorado must follow the procedures of Section 5 of these General Terms and Conditions.

3.4 Changes to Shipper's Transportation Service. If Shipper desires to change a term of its transportation service, it must complete a service amendment form on TransColorado's EBB. TransColorado will evaluate the Shipper's request.

- (a) If TransColorado agrees to the request and the request changes the term of a firm transportation service agreement, the Shipper must go through the bidding process described in Section 5 of the General Terms and Conditions.
- (b) If TransColorado agrees to the requested amendment and no bidding is required under Section 5, TransColorado will place a completed service amendment form on the EBB or submit a completed service request form in writing. The completed form will be notice to the Shipper that the change in service has been made.

GENERAL TERMS AND CONDITIONS
(Continued)

4. REQUEST FOR INTERRUPTIBLE TRANSPORTATION SERVICE

4.1 Request for Service. If a Shipper desires service under Rate Schedule IT, it must request the service through TransColorado's EBB and provide the following information:

- (a) The name, business address and phone number of the shipper requesting service and the party with whom all contact should be made.
- (b) A designation of whether Shipper is a local distribution company, intrastate pipeline company, interstate pipeline company, producer, end-user or marketer.
- (c) The extent of Shipper's affiliation with TransColorado.
- (d) The name of the local distribution company or intrastate pipeline company on whose behalf the gas will be transported if 18 C.F.R. Part 284, Subpart B service is requested.
- (e) If Section 311 service is requested, a declaration explaining how the requested service qualifies as Section 311 service.
- (f) The location (state) in which the ultimate end user of the gas is located.
- (g) The producing area (state) or the source of the gas to be transported.
- (h) The initial term of the service, including beginning and ending dates.
- (i) The type and level of service requested.
- (j) Daily quantity _____ Dth/day.
Estimated average daily quantity _____ Dth/day.
- (k) The usage charge that Shipper proposes to pay for the requested service:
Maximum Rate Other

4.2 Information Update. Any change in the facts or information provided by Shipper in its request for service, whether before or after service begins, must be promptly communicated to TransColorado.

GENERAL TERMS AND CONDITIONS
(Continued)

5. BIDDING FOR FIRM TRANSPORTATION SERVICE

- 5.1 A shipper desiring firm transportation service may submit a bid through TransColorado's EBB.
- 5.2 Notice of Available Firm Capacity. TransColorado will post on a continuous basis, a notice on its EBB of any available capacity under Rate Schedule FT. Available capacity shall be awarded using the bidding procedures described below. TransColorado's notice will include the following information:
 - (a) CD stated in Dth/day.
 - (b) The receipt and delivery points.
 - (c) The beginning and ending dates of the service.
 - (d) The minimum acceptable service term.
 - (e) The minimum rate TransColorado is willing to accept.
 - (f) Any other applicable conditions.
- 5.3 Bidding for Firm Capacity. A Shipper desiring to obtain the firm capacity from TransColorado must submit a bid for the service through TransColorado's EBB according to the procedures outlined in this section.
- 5.4 Qualifications for Bidding. Any party wishing to become a bidding Shipper must prequalify by satisfying the creditworthiness provisions and the EBB access and signatory requirements of this tariff prior to submitting a bid for capacity.
- 5.5 Bid Period. TransColorado will hold a bid period of five business days for prearranged transactions or open offers.
- 5.6 Bidding Information. A Shipper may submit a bid for capacity at any time during the bid period.
 - (a) Each bid for capacity must include the following:

GENERAL TERMS AND CONDITIONS
(Continued)

- (i) Capacity transaction number.
- (ii) Bidding Shipper's name and the name and telephone number of the individual placing the bid.
- (iii) The beginning and ending dates of the proposed capacity acquisition.
- (iv) The maximum reservation charge the bidding Shipper is willing to pay for the capacity.
- (v) The desired CD stated in Dth/day.
- (vi) Whether the bidding Shipper will accept a pro rata allocation of capacity and the minimum amount of capacity the bidding Shipper is willing to accept.
- (vii) Whether the bidding Shipper has pre-arranged for the capacity with TransColorado.
- (viii) A designation of whether Shipper is a local distribution company, intrastate pipeline company, interstate pipeline company, producer, end user or marketer.
- (ix) The extent of the Shipper's affiliation with TransColorado.
- (x) The name of the local distribution company or intrastate pipeline company on whose behalf the gas will be transported if 18 C.F.R. Part 284, Subpart B service is requested.
- (xi) The location (state) in which the ultimate end user of the gas is located.

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- (xii) If Section 311 service is requested, a declaration explaining how the requested service qualifies as Section 311 service.
- (xiii) The producing area (state) of the source of the gas to be transported.

5.7 Bidding Conditions.

- (a) The identity of any bidding Shipper shall be kept confidential. However, the amount of each bid received by TransColorado during the bid period will be posted on TransColorado's EBB.
- (b) A bid for firm capacity may be withdrawn; however, once a bid is withdrawn, the bidding Shipper may not submit a new bid for capacity at a lower rate.
- (c) A bidding Shipper may not bid a reservation charge less than the minimum reservation charge nor more than the maximum reservation charge specified by the tariff, nor may the bid exceed the quantity or the term specified by TransColorado.
- (d) TransColorado shall not be obligated to accept any bid for uncommitted capacity at a rate that is less than the rate posted by TransColorado.
- (e) TransColorado and Shipper will indicate acceptance of a contract by electronically executing the agreement by use of an electronic signature code. Shipper's use of its EBB signature code on any EBB transaction screen is deemed to be the party's consent to be bound by the transaction.

5.8 Request for Firm Service Fee.

- (a) No prepayment fee is required if a Shipper bids for firm service through TransColorado's EBB.
- (b) If a Shipper bids for firm service, through a written request, that Shipper must make a payment of the lesser of \$10,000 or the reservation charge for the requested CD for the lesser of three months or the term of the requested service. This reservation charge must be submitted simultaneously with a Shipper's bid to:

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Director, Marketing and Transportation
TransColorado Gas Transmission Company
79 South State Street
Salt Lake City, UT 84111

- (i) If a transportation agreement is executed, prepayments of amounts tendered under this provision shall be applied to service rendered to Shipper by TransColorado with interest, according to 18 C.F.R. Section 154.67(c), from the date the payment is made until the date a service agreement is tendered to Shipper for execution. If TransColorado is unable to provide the transportation capacity required by Shipper, or the Shipper is not a successful bidder, Shipper's prepayment shall be refunded with interest according to 18 C.F.R. Section 154.67(c).
- (ii) If transportation capacity is available and TransColorado tenders to the successful bidder a service agreement that coincides with Shipper's request, and Shipper fails to execute such agreement within 15 days of its receipt, the \$10,000 prepayment shall not be refunded to Shipper but shall be retained by TransColorado.

5.9 Awarding of Capacity. TransColorado's capacity shall be awarded to the bidding Shipper whose bid offers a rate and term that yields the highest present value. The present value shall be calculated using the formula stated below. TransColorado's acceptance of a bid shall be conditioned upon the Shipper satisfying TransColorado's creditworthiness standards and eligibility requirements.

(a) Present value formula:

$$\begin{matrix} \text{(Monthly Reservation Charge} & & \text{)} \times [1 - (1+i)^{-n}] = \text{Present Value} \\ \text{(Per Unit} & & \text{)} & \text{[} i \text{] per Unit} \end{matrix}$$

Where: i = interest rate per month, i.e., overall rate of return divided by 12 months.
 n = term of the agreement, in months.

(b) If two or more firm Shippers have the same present value and TransColorado's capacity is insufficient to serve the Shippers, capacity will be allocated pro rata based on requested CD between these firm Shippers.

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- (c) TransColorado is not obligated to award capacity unless a bid meets the rates, terms and conditions specified in TransColorado's notice.
 - (d) To document the awarding of capacity to the successful bidding Shipper, TransColorado will place a service agreement between TransColorado and the bidding Shipper on the EBB conforming to the terms of the Shipper's bid.
- 5.10 Requests for Discounts. If Shipper submits a bid at a discounted rate and TransColorado is not offering the requested service at a discount, Shipper's bid shall become invalid upon TransColorado's notification to Shipper and shall thereafter be deemed a nullity for all purposes. In addition, TransColorado is not required to accept a bid or provide a service agreement for any service that is bid at less than the posted minimum acceptable rate for the posted uncommitted firm capacity.
- 5.11 Notice of Completed Transaction. Within one business day after capacity has been awarded, TransColorado shall post the following information regarding each transaction on its EBB for a period of 30 days:
- (a) The name of the Shipper and the transaction number.
 - (b) Whether or not the Shipper is an affiliate of TransColorado.
 - (c) Term.
 - (d) Reservation charge.
 - (e) Primary receipt and delivery points.
 - (f) The CD in Dth/day.
- 5.12 Notice of Prearranged Service.
- (a) Nothing in this Section 5 will preclude TransColorado from arranging with a Shipper for the sale of uncommitted firm capacity prior to posting the capacity on its EBB. If TransColorado has made an arrangement with a

GENERAL TERMS AND CONDITIONS
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pre-arranged Shipper, TransColorado will post a notice on its EBB.

- (b) For pre-arranged service, if no better offer is received during the bid period, the pre-arranged bidding Shipper shall receive the capacity. If a bid is received with a higher present value than the pre-arranged Shipper's bid, the pre-arranged bidding Shipper shall have one day for a short-term release and five days for a long-term release to match the better bid. If the pre-arranged bidding Shipper fails to match the better offer, the bidding Shipper who presented the better offer shall receive the capacity.
- (c) A Shipper may bid any price, designate any term, and request any available receipt and/or delivery points.

5.13 Initial Deliveries. At the time service commences, TransColorado will require Shipper to identify immediate upstream and downstream transporters. TransColorado may also require Shipper to identify any third-party transporter other than immediate upstream and downstream third party transporters.

6. CAPACITY RELEASE AND ASSIGNMENT.

- 6.1 General. This section defines the terms and conditions of the capacity release program on TransColorado's system and applies to any Shipper that has contracted for firm transportation service under this tariff and elects to release all or a portion of its firm capacity.
- 6.2 Conditions of Release. A Shipper shall have the right to release any portion of its firm capacity but only to the extent that the released capacity is acquired by another Shipper through provisions of this section.
- 6.3 Option to Withdraw Released Capacity.
 - (a) A releasing shipper may withdraw its offer to release capacity prior to the close of the bid period if shipper subsequently determines it needs the released capacity. Otherwise, an offer to release capacity may not be withdrawn.
 - (b) The releasing shipper must provide notice of its withdrawal of released capacity through Transcolorado's EBB prior to the close of the bid period.

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The offer to release capacity may not be withdrawn after the close of the bid period.

- 6.4 Criteria of Release. A releasing Shipper may specify how bids for released capacity are to be evaluated to determine the best offer. These criteria must be objectively stated, applicable to all potential bidders and nondiscriminatory. The releasing Shipper shall not be entitled to reject a bid that meets its specified criteria.
- 6.5 Qualification for Participation in the Capacity Release Program - Any party wishing to become a bidding Shipper must prequalify by satisfying the creditworthiness provisions and the EBB accessing requirements of this tariff prior to submitting a bid for capacity. Notwithstanding Shipper's qualification to participate in TransColorado's capacity release program, TransColorado does not guarantee to the releasing Shipper that the replacement Shipper will pay for the contracted-for service.
- 6.6 Notice By Shipper Electing to Release Capacity - A releasing Shipper must post a notice through TransColorado's EBB that it elects to release firm capacity. The notice must state:
- (a) The releasing Shipper's name, contract number and the name and phone number of the individual responsible for authorizing the release of capacity.
 - (b) The maximum and minimum CD to be released stated in Dth/day.
 - (c) The primary receipt and delivery points.
 - (d) Whether capacity will be released on a firm or recallable basis. If on a recallable basis, the terms under which the capacity may be recalled.
 - (e) Whether Shipper will accept contingency bids, the contingencies acceptable to Shipper, the date (deadline) by when all contingencies must be met and whether TransColorado should award capacity to the next highest bidder if contingencies are not met.
 - (f) The beginning and ending dates of the release.

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- (g) Whether the release is temporary or permanent.
 - (h) The minimum acceptable release period.
 - (i) If a one-part volumetric bid is acceptable.
 - (j) If a one-part volumetric rate is acceptable to the Shipper, (i) the desired volumetric rate, (ii) terms and conditions applicable to the release, (iii) whether two-part bids will be accepted and (iv) criteria by which bids are to be evaluated.
 - (k) The minimum rate at which the Shipper will release the capacity. If the releasing Shipper does not specify a minimum rate, a bidding Shipper may bid any rate up to the maximum rate on TransColorado's Statement of Rates.
 - (l) The criteria by which TransColorado should evaluate the bids. A releasing Shipper may select the present-value formula in Section 11(c) or state its own criteria.
 - (m) The method by which tied bids will be awarded. If no method for awarding tied bids is specified, the capacity will be awarded pro rata based on each shipper's requested CD.
 - (n) Any other conditions applicable to acceptance by the releasing Shipper.
- 6.7 Notice of Pre-Arranged Release - The releasing Shipper must deliver a notice through TransColorado's EBB of a pre-arranged release. The notice shall include all the information required by this section and:
- (a) The name of the bidding Shipper who is a party to the pre-arranged release.
 - (b) The reservation charge the bidding Shipper has agreed to pay for the released capacity.
- 6.8 Term of Capacity Release. The term of capacity release may not exceed the term of the releasing Shipper's

GENERAL TERMS AND CONDITIONS
(Continued)

transportation service agreement, nor may it be less than one gas day.

- 6.9 Availability of Released Capacity - Released capacity shall be made available on a nondiscriminatory basis and shall be assigned based on the results of a bid period or a pre-arrangement complying with the procedures described below.
- 6.10 Awarding of Contingency Bids - Released capacity subject to contingency bids will not be awarded until the bidding shipper has notified TransColorado, through TransColorado's EBB, that all contingencies have been met. If all contingencies have not been met by the deadline established by the releasing shipper, the released capacity shall revert back to the releasing shipper unless TransColorado has been directed otherwise.
- 6.11 Bid Period - No bid period shall be required for the following transactions: (1) a pre-arranged release that (a) is for the maximum applicable reservation charge, (b) is for the full term for which the capacity is released and (c) meets all terms and conditions of the release; and (2) a pre-arranged release for a term of 31 days or less where the parties have negotiated and posted to TransColorado's EBB a pre-arranged deal at the maximum rate meeting all terms and conditions of the release.

A releasing shipper may post through TransColorado's EBB a pre-arranged deal at the maximum rate to determine if another shipper would be willing to offer better terms and conditions. All other releases, except as indicated below, shall be subject to a bid period conducted according to the following procedures:

- (a) For pre-arranged releases (1) at the maximum reservation charge and for the full term of the release or (2) for 31 days or less the releasing Shipper shall post notice of the released capacity on TransColorado's EBB within 48 hours after the transaction commences. However, a rollover of a pre-arranged release of 31 days or less may occur only if the parties negotiate and post on TransColorado's EBB a pre-arranged deal at the maximum rate meeting all the terms and conditions of the release.

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- (b) Capacity releases of 31 days or less that (1) are not subject to contingency bids and (2) the Releasing Shipper elects to use TransColorado's evaluation criteria must be posted for a bid period of one business day at least two business days prior to date nominations are due.
 - (c) Capacity releases for a term of greater than 31 days but not more than one year (short term) that are subject to (1) contingency bids and/or (2) evaluation criteria specified by the releasing Shipper must be posted at least two business days prior to the commencement of the bid period. A bid period of two business days shall be held commencing at least five business days prior to the date nominations are due.
 - (d) Short-term capacity releases that (1) are not subject to contingency bids and (2) the releasing Shipper elects to use TransColorado's evaluation criteria, must be posted at least one business day prior to commencement of the bid period. A bid period of two business days shall be held commencing at least four business days prior to the date nominations are due.
 - (e) A releasing Shipper may extend the bid period for released capacity by posting that capacity on TransColorado's EBB at any time prior to the minimum specifications set out above.
 - (f) For capacity to be released for a term of more than one year (long term), a bid period of 20 days shall be held commencing at least 23 days prior to the date nominations are due.
- 6.12 Bids for Released Capacity - a Shipper may submit a bid for released capacity at any time during the bid period.
- (a) Each bid for released capacity must include the following:
 - (i) Released capacity transaction number;
 - (ii) Bidding Shipper's name and the name and telephone number of the individual placing the bid.
 - (iii) The beginning and ending dates of the proposed capacity acquisition.
 - (iv) The maximum reservation charge the bidding Shipper is willing to pay for the capacity.
 - (v) The desired CD stated in Dth/d.

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- (vi) Whether the bidding Shipper will accept pro rata allocation of capacity and the minimum amount of capacity the bidding Shipper is willing to accept.
 - (vii) Whether the bidding Shipper is the pre-arranged Shipper.
- (b) A pre-arranged Shipper must post its bid for the capacity on TransColorado's EBB. If the pre-arranged Shipper fails to post its bid, the capacity will not be awarded to the pre-arranged Shipper.
 - (c) The identity of any bidding Shipper shall be kept confidential. However, the amount of each bid received by TransColorado during the bid period will be posted on TransColorado's EBB.
 - (d) A bidding Shipper may not bid a reservation charge less than the minimum reservation charge nor more than the maximum reservation charge specified by the tariff, nor may the volume or the term of the bid exceed the maximum volume or term specified by the releasing Shipper.
 - (e) A bidding Shipper submitting a contingent bid must notify TransColorado and the releasing Shipper, through TransColorado's EBB, when all contingencies have been met.
 - (f) A bidding Shipper may withdraw its bid prior to the end of the bidding period. However, once a bid is withdrawn, the bidding Shipper may not submit a new bid for that released capacity at a lower rate. The bidding Shipper may resubmit a bid for the released capacity only at a rate and term that will result in a higher present value than the withdrawn bid.
 - (g) A bid may not be withdrawn after the close of the bid period.
- 6.13 Awarding of Released Capacity - Released capacity shall be awarded by the following procedures.
- (a) Temporarily released capacity shall be awarded to the bidding Shipper that makes the best offer based on the criteria specified by the releasing Shipper or the present the present value formula defined below.

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(b) Permanently released capacity shall be awarded to the replacement Shipper that offers a rate and term yielding a present value equal to or greater than the present value of the releasing Shipper's transportation service agreement. The present value shall be calculated using the formula stated below. Acceptance shall be conditioned upon the replacement Shipper satisfying TransColorado's creditworthiness standards and eligibility requirements.

(c) Present value formula:
(Monthly Reservation Charge) x [1-(1+i)⁻ⁿ]=Present Value
(Per Unit) [i] per Unit

Where: i = interest rate per month, i.e., overall rate of return divided by 12 months.
n = term of the agreement, in months.

- (d) If two or more bids are of equal value, the capacity shall be awarded according to the criteria specified by the releasing Shipper. If no method for awarding tied bids is specified, the capacity shall be awarded pro rata based on the requested CD.
- (e) If no bid is submitted meeting all of the rates, terms and conditions in the releasing Shipper's release notice, then no award of capacity shall be made.
- (f) For a pre-arranged release, if no better offer is received during a bid period or the pre-arranged offer is for the applicable maximum reservation charge and full term of the release, then the pre-arranged bidding Shipper shall become the replacement Shipper. If the pre-arranged release is for less than the applicable maximum reservation charge and a better offer is received during the bid period, the pre-arranged bidding Shipper shall have one day for a short-term release and five days for a long-term release to match the better offer. If the prearranged bidding Shipper fails to match the better offer, then the bidding Shipper who presented the better offer shall become the replacement Shipper.
- (g) To document the award of the release of capacity to the successful bidding Shipper, the replacement Shipper, TransColorado will place a service agreement

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between TransColorado and the replacement Shipper on the EBB conforming to the terms of the Shipper's bid.

- (h) A releasing Shipper shall retain all of the capacity under its transportation service agreement that is not acquired by a replacement Shipper.
- (i) Unless TransColorado agrees otherwise in writing, the original capacity holder will remain responsible to TransColorado for payment of the reservation charge throughout the original contract term irrespective of any capacity release.
- (j) If TransColorado agrees to release the original capacity holder of its contract obligation, under which the original capacity holder is paying a discounted rate, TransColorado will not be obligated to provide service at a discounted rate to a replacement Shipper under a permanent capacity assignment.
- (k) Bills to releasing Shippers will reflect simultaneous credit for reservation charges billed to replacement Shippers.

6.14 Permanent Release of Capacity.

- (a) Where all or a portion of a Shipper's capacity has been permanently released for the entire remaining term of the releasing Shipper's service agreement without recall or interruption rights, the releasing Shipper may request TransColorado to amend its service agreement to reflect the permanent release of the capacity. Unless TransColorado agrees in writing, the original shipper will remain responsible to TransColorado for payment of the reservation charge throughout the original term of the agreement. TransColorado may not unreasonably refuse to relieve the original Shipper of its liability for payment of the reservation charge for a permanent release.
- (b) TransColorado shall not be obligated to amend the releasing Shipper's service agreement to reflect the permanently released capacity and may condition an amendment to the agreement on payment of exit fees. In lieu of exit fees, the replacement Shipper may enter into a new service agreement containing terms and conditions acceptable to TransColorado. TransColorado will not amend a releasing shipper's contract to reflect a permanent release of capacity when the release has been made at a volumetric rate.
- (c) Unless TransColorado agrees to amend the releasing Shipper's service agreement, the releasing Shipper

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shall remain liable for payment of the reservation fee under the agreement.

- (d) If capacity is permanently released, the replacement Shipper may utilize the right-of-first refusal procedure described in Section 7 to this tariff for the amount of capacity acquired by the replacement Shipper.
- 6.15 Notice of Completed Transactions - Within one business day after capacity has been awarded, TransColorado shall post the following information regarding each transaction on its EBB for a period of 30 days:
- (a) The name of the replacement Shipper and the release transaction number.
 - (b) Whether or not the replacement Shipper is an affiliate of TransColorado.
 - (c) Term.
 - (d) Reservation charge.
 - (e) Primary receipt and delivery points.
 - (f) CD in Dth/day.
 - (g) Whether the capacity is firm or recallable.
- 6.16 Released Capacity Rates - The reservation charge or volumetric rate for any released firm capacity shall be as bid by the replacement Shipper, but in no event shall the reservation charge or volumetric rate be less than TransColorado's minimum or more than TransColorado's applicable maximum reservation charge or volumetric rate listed on the Statement of Rates. All applicable charges will be stated in the service agreement on TransColorado's EBB. The replacement Shipper shall pay any usage charge as well as all other applicable charges, surcharges and fees.
- 6.17 Effective Date of Release and Acquisition. The beginning date of the release by a releasing Shipper and the acquisition date of a replacement Shipper will be on the beginning date designated on the notice of released capacity.

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- 6.18 Request to Acquire Released Capacity - A Shipper desiring released capacity may post its request on TransColorado's EBB. The Shipper shall provide all criteria that it deems appropriate, but will include the following:
- (a) Requesting Shipper's name and person to contact for additional information.
 - (b) The desired beginning and ending dates.
 - (c) The rate the requesting Shipper is willing to pay for the capacity.
 - (d) Primary receipt and delivery points.
 - (e) The desired CD in Dth/day.
- 6.19 Active Marketing Fee - When a releasing Shipper requests that TransColorado actively market the released capacity, TransColorado will provide the marketing service at a fee to be negotiated between Shipper and TransColorado.
- 6.20 Nominations and Scheduling - A replacement Shipper must nominate and schedule transportation services directly with TransColorado according to the applicable procedures stated in TransColorado's tariff. TransColorado will support the scheduling of segmented releases.
- 6.21 Notice of Recall. The releasing Shipper must give TransColorado and the replacement Shipper notice of any recall no later than 24 hours prior to the close of scheduling for the day on which the recall will take effect. The releasing Shipper, when returning recalled capacity to the replacement Shipper, must give TransColorado and the replacement Shipper 24 hours' notice prior to the close of scheduling for the day on which the capacity will revert to the replacement Shipper.
- 6.22 Compliance by Replacement Shipper - By acquiring released capacity, a replacement Shipper agrees that it will fully comply with all terms and conditions of this tariff. The terms and conditions of the original release, except price, term and volume, will be binding on all replacement Shippers.
- 6.23 Obligations of Releasing Shipper - The releasing Shipper shall continue to be liable and responsible for all

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reservation charges associated with the released capacity up to the maximum reservation charge specified in the releasing Shipper's service agreement. Subsequent releases by a replacement Shipper shall not relieve the original or any subsequent releasing Shipper of its obligations under this tariff.

7. RIGHT OF FIRST REFUSAL PROCEDURE

- 7.1 Upon expiration or notice of termination from TransColorado of a firm service agreement with no evergreen clause, and an initial term of one year or greater, Shipper shall have a right of first refusal to extend service under a new service agreement. The Shipper must give TransColorado written notice that it will utilize the right-of-first refusal procedure the earlier of (i) the date of the notice period provided for in Shipper's contract; or (ii) 90 days prior to the expiration of the term of the contract. TransColorado shall provide written notice to the Shipper 30 days in advance of the applicable deadline. In the notice TransColorado will specify the information Shippers need to provide to exercise their right of first refusal.
- 7.2 Upon notification, TransColorado shall post on its EBB the terms and conditions of the available capacity under the expiring contract as follows:
 - (a) CD stated in Dth/day.
 - (b) The receipt and delivery points at which capacity is available and the firm quantities at such points.
 - (c) Effective date.
 - (d) Term.
 - (e) The applicable rates for the service.
 - (f) The capacity is subject to right of first refusal.
- 7.3 Capacity will be made available on a nondiscriminatory basis and will be assigned on the basis of a bid period for a period of not less than 20 days.
 - (a) A Shipper desiring to acquire the available capacity shall place a bid with TransColorado, through its EBB, during the bid period.

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- (b) The bidding Shipper's bid must include all information included in Section 5 of these General Terms and Conditions.
- 7.4 TransColorado shall not be obligated to accept any bid for the capacity at less than the maximum applicable tariff rate or for a term greater than 20 years. If TransColorado accepts a bid, however, TransColorado shall inform the existing Shipper of the terms of the bid to permit exercise of its right of first refusal. The existing Shipper shall have five days to inform TransColorado that it agrees to match the bid.

If the existing Shipper notifies TransColorado that it elects to match the terms of price and duration of the accepted bid, TransColorado shall contract with the existing Shipper. If the existing Shipper does not elect to match the terms of the replacement Shipper's bid, TransColorado will contract with the replacement Shipper according to the terms and conditions of the tariff.

- 7.5 If no bids are received and the existing Shipper is willing to pay the maximum rate, the existing Shipper will be entitled to continue to receive service for whatever term it chooses. At the end of the term, the existing Shipper may again exercise its right of first refusal to retain the capacity.
- 7.6 Any shipper that acquires available capacity according to this section will not be required to repeat the bidding procedures outlined in Section 5 of this tariff.
- 7.7 If TransColorado and an existing Shipper enter into a new contract to continue service that was not subject to an evergreen clause or the right of first refusal procedure, the bidding requirements included in Section 5 of these General Terms and Conditions shall apply.
8. PRIORITY OF SERVICE, SCHEDULING OF RECEIPTS, DELIVERIES AND INTERRUPTION AND CURTAILMENT OF SERVICE.
- 8.1 Priority of Service
- Shippers shall be entitled to transportation service subject to the availability of pipeline capacity on TransColorado's system in the following order of declining priority:
- (a) All firm transportation service provided at primary receipt and delivery points.

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- (b) All firm transportation service provided at alternate receipt and delivery points by date and time of nomination. If two or more Shippers have the same priority, available capacity will be prorated on the basis of their CD.
- (c) All interruptible transportation service for which Shipper is paying the maximum rate. This service shall be scheduled according to the date gas was first tendered by each Shipper into the system. If two or more Shippers paying the maximum rate tendered gas into TransColorado's system on the same date, gas will be scheduled pro rata based on each Shipper's daily nominations.
- (d) All other interruptible transportation service in order of the discounted rate being paid by Shipper for the transportation service from highest to lowest. If two or more Shippers are paying the same discounted transportation rate, service shall be prorated on the basis of each Shipper's daily nomination.
- (e) All authorized overrun transportation service prorated based on the amount requested by each Shipper.

8.2 Scheduling of Gas Receipts and Deliveries.

- (a) If a shipper desires to have gas transported or stored on gas day one of each month, the shipper must notify TransColorado's nomination department no later than 10:00 a.m. Mountain Time three working days prior to the commencement of service. For all succeeding days of the month, shipper shall notify Questar's nomination department no later than 10:00 a.m. Mountain Time each day of the quantity of natural gas it desires to have transported from specific sources and receipt points commencing at 7:00 a.m. Mountain Time on the succeeding calendar day.

TransColorado's representative shall then notify shipper of the quantity that it can receive and deliver. Starting no later than 7:00 a.m. Mountain Time on the day following the calendar day of receipt of shipper's nomination, TransColorado shall commence to deliver thermally equivalent quantities of natural gas (less any

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appropriate reductions as specified in the applicable rate schedule or executed transportation service agreement). All scheduling of deliveries of gas between shipper and TransColorado's representative shall take this scheduled timing difference into account. Upon written agreement or telephone agreement (to be confirmed in writing) between TransColorado and shipper, receipts and deliveries may commence earlier than provided by this schedule.

- 8.3 Uniform Rates and Quantities. Shipper shall use reasonable efforts to deliver and receive gas at reasonable hourly and daily rates of flow.
- 8.4 Interruption and Curtailment of Service
- (a) If TransColorado is unable on any day to serve all of its Shippers, interruption or curtailment of service shall be instituted in sequence in reverse order of priority of classes specified above.
 - (b) Any interruptible Shipper paying a discounted rate, if subject to interruption, may elect to pay a higher rate up to the maximum rate to avoid or reduce the possibility of interruption. If Shipper so elects, then interruption shall be according to Sections 8.1(b)(iii) or 8.1(b)(iv), whichever is appropriate. If two or more Shippers are paying the same discounted rate then the interruption shall be prorated based on each Shipper's confirmed daily nominations.
 - (c) Firm Shippers shall be curtailed pro rata based on their CD, without regard to primary or alternate rights.
- 8.5 TransColorado shall provide Shipper as much advance notice of interruption as is possible under the circumstances in order to permit Shipper to make the election available under Section 8.4(b). Such notice shall state the discounted rates being paid by other Shippers, the quantities being transported at such rates and the estimated reduced quantities of gas that can be transported.
- 8.6 TransColorado shall have the right, without liability to Shipper, to interrupt or curtail the transportation of gas for Shipper for reasons of force majeure; or when necessary, to test, alter, modify, enlarge or repair any facility or property comprising a part of, or

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appurtenant to, TransColorado's pipeline system, or otherwise related to the operation thereof. TransColorado shall endeavor to cause a minimum of inconvenience to Shipper because of such interruptions.

9. RECEIPT AND DELIVERY POINT FLEXIBILITY

- 9.1 A Shipper receiving service on TransColorado's system under Rate Schedule FT must designate its primary receipt and delivery points. All other receipt and delivery points on TransColorado's system will be available as alternate points to firm Shipper's on an interruptible basis.
- 9.2 The receipt points for gas tendered by Shipper to TransColorado and the delivery points for gas delivered by TransColorado to Shipper shall be at the interconnections of the facilities of TransColorado and such other point designated from time to time in the transportation service agreement.
- 9.3 The sum of a firm Shipper's primary receipt point capacities may not exceed the Shipper's total CD. The sum of a firm Shipper's primary delivery point capacities may not exceed Shipper's total CD.
- 9.4 All receipt and delivery points on TransColorado's transmission system located within the path of the service for which a firm Shipper is paying will be available as alternate points under a firm Shipper's service agreement. A firm Shipper will be required to follow TransColorado's nomination procedures to use alternate points. A firm Shipper's right to deliver gas to or receive gas from TransColorado at alternate points of receipt or delivery shall be subordinate to the primary rights of other firm Shippers but will have priority over interruptible transportation and authorized overrun service.
- 9.5 If a firm Shipper's nomination at an alternate receipt or delivery point requires interruption of an interruptible Shipper currently using that receipt or delivery point, TransColorado will notify the interrupted Shipper and, subject to available capacity and maintenance of system integrity, allow that Shipper until 5:00 a.m. each gas day (2 hours prior to the time gas flows on TransColorado's system) to select an alternate receipt

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point. Use of the selected receipt point must be confirmed by TransColorado.

- 9.6 A replacement Shipper desiring primary receipt and delivery points, other than those released, must request firm service under the provisions of this tariff and, subject to available capacity, enter into a Rate Schedule FT service agreement for such additional service.
- 9.7 Shippers receiving firm transportation service may request changes to primary receipt and delivery points. If capacity is available, Shipper's transportation service agreement will be amended accordingly. A firm Shipper may request primary firm capacity at a new receipt or delivery point, and either (1) release an equivalent capacity at one or more existing receipt or delivery points or (2) request and pay for additional capacity, if available at the requested receipt or delivery point. Any released capacity will be identified on TransColorado's electronic bulletin board.
- 9.8 A Replacement Shipper may add or delete primary receipt and delivery points or change Shipper's total capacity at primary receipt and delivery points. However, a Releasing Shipper can, as a term of its release, require the Replacement Shipper to get its permission to change receipt and delivery points. Any replacement Shipper has the right to use alternate receipt and delivery points on an interruptible basis for the capacity assigned to such Shipper.
- 9.9 Previously negotiated discounted firm transportation rates for primary receipt and delivery points will not apply to service at alternate points. Unless otherwise agreed to by TransColorado, Shipper shall pay the maximum FT reservation charge for service nominated at the alternate points.

10. MEASUREMENT

- 10.1 Unit of Measurement and Metering Base. The volumetric measurement base shall be one cubic foot of gas at a pressure base of 14.73 pounds per square inch absolute, at a temperature base of 60 degrees Fahrenheit, without adjustment for water vapor.
- 10.2 Atmospheric Pressure. For the purpose of measurement, calculation and meter calibration, the average absolute atmospheric (barometric) pressure shall be based on

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the actual altitude at each point of measurement irrespective of variations in natural atmospheric pressure from time to time. When electronic computer measurement is used, the gas pressure will be measured directly, using a pressure measuring device for continuous input to the electronic computer.

- 10.3 Temperature. The temperature of the gas shall be determined at the points of measurement by means of a properly installed recording thermometer or continuous electronic transducer input to a computer of standard manufacture selected by TransColorado installed in accordance with the recommendations contained in ANSI/API 2530 (Orifice Metering of Natural Gas), as amended from time to time. The arithmetic average of temperatures for each day shall be used in computing temperatures of the gas during such day for conventional chart measurement. When electronic computer measurement is used, average daily temperature will be computed as a running average of data determined by computer scan.
- 10.4 Determination of Gross Heating Value and Specific Gravity. Since TransColorado has installed electronic computer measurement equipment and field chromatographs, the determination of gross heating value and specific gravity shall be made from the composition by calculation using physical gas constants for gas compounds as outlined in GPA Standard 2145 (Table of Physical Constants of Paraffin Hydrocarbons and Other Components of Natural Gas) with any subsequent amendments or revisions that TransColorado may adopt.

Should TransColorado elect to install conventional chart measurement, the arithmetic average of the hourly heating value and specific gravity recorded during periods of flow each day by a recording calorimeter and gravitometer or recording chromatograph, if installed, shall be considered as the gross heating value and specific gravity of the gas delivered during each day.

If a continuous gas sampling device is used, determinations shall be made not less than once every month. Such determinations shall be considered as the gross heating value and specific gravity of all gas delivered during the applicable sampling period. Gross heating values and specific gravities determined from spot samples will be used

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in calculating gas delivered for the day on which the test is made and all following days until the next test is made.

The calculations (for Btu) shall be based on dry gas if the gas at the measurement points contain less than 5 pounds of water per MMcf. If the gas at the measurement points contains more than 5 pounds of water per MMcf, the appropriate factor will be applied to the Btu calculations to correct for water content in excess of 5 pounds per MMcf.

After consideration is given for Shipper's fuel gas requirements, the difference between Btu's received by TransColorado and Btu's delivered to Shipper shall be deemed unaccounted-for gas. Shipper shall provide its proportionate share of unaccounted-for gas.

- 10.5 Supercompressibility. The measurement of gas shall be corrected for deviation from Boyle's Law at the pressures and temperatures under which gas is measured by use of the calculation appearing in the manual entitled "PAR Research Project NX-19, Extension of Range of Supercompressibility Table," AGA Catalog No. 48/PR published by the American Gas Association in 1963 as supplemented or amended from time to time. Inert content of the metered gas stream used in the Formula NX-19 calculations shall be determined by a chromatographic analysis using spot sampling when deliveries begin and thereafter by (i) chromatographic analysis not less than semiannually, (ii) continuous sampling or by continuous computer input at each of the points where the gas is received and delivered.
- 10.6 Measuring Equipment. Unless otherwise agreed upon, TransColorado will install, maintain and operate or cause to be installed, maintained and operated measuring stations equipped with flow meters and other necessary metering and measuring equipment by which volumes of gas received and equivalent volumes delivered shall be determined. Shipper may install check measuring equipment at its own cost and expense; provided such equipment shall be installed in a manner not to interfere with the operations of TransColorado.

TransColorado and Shipper, in the presence of each other, shall have access to the other's measuring equipment at all reasonable times but the reading, calibrating and adjusting electronic computer components and/or mechanical

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recording instruments and the changing of charts shall be done only by the equipment owner or such owner's representative, unless otherwise agreed upon.

Both TransColorado and Shipper shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment; provided, however, failure of either TransColorado or Shipper to witness such an operation shall not affect the validity of such operation in any way.

The records from such measuring equipment shall remain the property of the party owning the equipment, but within 10 days of a request, each will submit to the other for inspection its records and charts, together with related calculations. All records and charts shall be returned within 30 days after receipt.

The measurement equipment of Shipper shall be for check purposes only and, except as expressly provided in these General Terms and Conditions, shall not be used in the measurement of gas.

- 10.7 Orifice Meters. All orifice meters shall be installed and gas volumes computed in accordance with the standards prescribed in ANSI/API 2530 (Orifice Metering of Natural Gas), which incorporates Gas Measurement Committee Report #3 of the American Gas Association, revised and reprinted, September 1967, and any subsequent amendments TransColorado may adopt.
- 10.8 Electronic Flow Computers. TransColorado may install electronic flow computers to permit the direct computation of gas flows without the use of charts.
- 10.9 New Measurement Techniques. If, at any time, a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted by TransColorado. TransColorado shall promptly inform all shippers of any new techniques adopted.
- 10.10 Calibration and Test of Meters. The accuracy of all measuring equipment shall be verified by TransColorado at reasonable intervals, and if requested, in

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the presence of a representative of Shipper, but neither Shipper nor TransColorado shall be required to verify the accuracy of such equipment more frequently than once in a 30-day period. If either party at any time desires a special test of any measuring equipment, it will promptly notify the other, and the parties shall then cooperate to secure a prompt verification of the accuracy of such equipment. Shipper shall bear the costs of any special test requested by Shipper unless the measuring equipment is found to be inaccurate by 2% or more.

- 10.11 Correction of Metering Errors. If, upon any test, any measuring equipment is found to be inaccurate, such equipment shall be adjusted immediately to measure accurately. If, upon any test, the measuring equipment in the aggregate is found to be inaccurate by two percent (2%) or more at a recording corresponding to the average hourly rate of gas flow for the period since the last preceding test, any payments based upon inaccurate measurement shall be corrected pursuant to Section 13 of these General Terms and Conditions at the rate of such inaccuracy for any period that is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one half of the time elapsed since the date of the last test.
- 10.12 Failure of Measuring Equipment. In the event any measuring equipment is out of service or is found registering inaccurately and the error is not determinable by test, or by previous recordings, receipts or deliveries through such equipment shall be estimated and agreed to by the parties upon the first of the following methods that is feasible:
- (a) By correcting the error if the percentage of error is ascertainable by calibration, special test, or mathematical calculation, or, in the absence of (a);
 - (b) By using the registration of any check meter or meters, if installed and accurately registering, or, in the absence of (a) and (b);
 - (c) By estimating the quantity of gas received or delivered based on receipts or deliveries during preceding periods under similar conditions when the measuring equipment was registering accurately.

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10.13 Preservation of Records. Shipper and TransColorado shall preserve for a period of at least three years, or for such longer period as may be required by appropriate authority, test data, charts or other similar records.

10.14 Pressure Requirements.

(a) Shipper shall deliver gas to TransColorado at the receipt points at a pressure sufficient to allow the gas to enter TransColorado's pipeline as such pressure shall vary from time to time. TransColorado shall not be required to compress natural gas into its pipeline. Shipper shall provide equipment at each receipt point that is acceptable to TransColorado to prevent overpressuring TransColorado's pipeline.

(b) TransColorado shall deliver gas at each delivery point at the pressure that is available from time to time in TransColorado's pipeline after required measurement, flow control or regulation.

11. QUALITY OF GAS

11.1 Heat Content. The gas delivered at each of the points of receipt and delivery shall contain a gross heating value of not less than 967 Btu's per cubic foot nor more than 1,150 Btu's per cubic foot.

11.2 Merchantability. The gas shall be commercially free from dust, gums, gum-forming constituents, dirt, impurities or other solid or liquid matter that might interfere with its merchantability or cause injury to or interference with proper operation of the pipelines, regulators, meters, or other equipment of TransColorado. The gas shall also be free of all matter that is deemed hazardous or toxic and is subject to regulation by the Environmental Protection Agency or any State agency having similar jurisdiction or authority.

11.3 Hydrogen Sulfide. The gas shall not contain more than .25 grain of H₂S per 100 standard cubic feet.

11.4 Total Sulfur. The gas shall not contain more than 5 (five) grains of total sulfur per Mcf, of which not more than 2 grains shall be mercaptan sulfur.

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- 11.5 Oxygen. The gas shall not at any time have an oxygen content in excess of ten parts per million by volume, and the parties shall make every reasonable effort to keep the gas free of oxygen.
- 11.6 Temperature. The gas shall be delivered at a temperature not in excess of 120° Fahrenheit or less than 35° Fahrenheit.
- 11.7 Inert Substances. The gas shall not contain inert substances of more than four percent by volume of which not more than 1 percent shall be CO₂.
- 11.8 Water Vapor. The gas shall not contain water vapor in excess of five (5) pounds per MMcf.
- 11.9 Liquids. The gas shall not contain any hydrocarbon fractions that might condense to free liquids in the line under normal pipeline conditions.
- 11.10 Shipper's Failure to Meet Specifications. Should any gas tendered for receipt by TransColorado fail at any time to conform to any of the specifications of this section, TransColorado shall notify Shipper and TransColorado may suspend all or a portion of the receipt of any such gas until such time as Shipper demonstrates to TransColorado's satisfaction that the gas meets the quality specification; provided, however, such suspension by TransColorado shall not relieve Shipper of any of its obligations under this tariff. TransColorado may elect to accept receipt of any off-specification gas in such quantities and such time periods as TransColorado determines in its sole discretion will not affect or harm the transportation system.
- 11.11 Quality of TransColorado's Deliveries. TransColorado shall deliver to Shipper or for Shipper's account gas that is of merchantable quality.
- 11.12 Commingling. Gas received from Shipper will be commingled with the gas of other shippers in the system. Accordingly, the gas of Shipper shall be subject to such changes in gross heating value per cubic foot and other specifications as may result from such commingling.

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12. BALANCING OF GAS

- 12.1 General Provision. Shipper shall monitor and control its receipts and deliveries of gas and, if necessary, make appropriate adjustments in order to maintain a thermal balance of receipts and deliveries.

TransColorado shall monitor, to the extent of its ability, receipts and deliveries of gas as compared to quantities nominated by Shipper, and, based upon available information, advise Shipper of any imbalances. Upon notification, Shipper shall be obligated to adjust its receipts and deliveries to correct or avoid any imbalance between nominations and actual receipt or delivery. Any adjustment to receipts and deliveries by Shipper, whether or not pursuant to notification from TransColorado, shall be coordinated with TransColorado's gas representatives and in accordance with the TransColorado's scheduling procedures.

- 12.2 Daily Balancing. If on any day Shipper's deliveries to or receipt from TransColorado differ from the quantities nominated and accepted under Section 8.2 by more than the greater of 50 Dth or 5 percent, Shipper, after telephonic or written notification by TransColorado, shall be afforded 30 days to remedy its imbalance.
- 12.3 Monthly Balancing. On or before the 25th day of the month following the month service is rendered, TransColorado will notify Shipper in writing if (1) Shipper's total deliveries to TransColorado vary from the amounts nominated by Shipper by 2 percent or more and (2) such amounts have not been corrected in accordance with Section 12.2. Within 48 hours of TransColorado's notice, Shipper and TransColorado shall agree upon the appropriate actions necessary to eliminate the difference. The difference shall be eliminated within 30 days.
- 12.4 Imbalance Trading. If Shipper desires to trade imbalances on TransColorado's EBB, Shipper must consent to TransColorado posting Shipper's imbalance information on the EBB. During the first ten days of each month, TransColorado will make imbalance information available on its EBB to all Shippers. Shippers shall have 72 hours after this period to trade imbalances with other shippers to reduce or eliminate any imbalances that have occurred during the month.

GENERAL TERMS AND CONDITIONS
(Continued)

- (a) Once Shippers have agreed to trade their imbalances, each Shipper must notify TransColorado by completing an imbalance trading notice on the EBB. This notice to TransColorado will be deemed to be the Shipper's direction to TransColorado to make the imbalance trade on the Shipper's account. If the Shippers' notices coincide, TransColorado will adjust Shipper's accounts to reflect the imbalance trade.
 - (b) Shippers are responsible for making any arrangement deemed necessary to finalize and document the imbalance trade.
 - (c) TransColorado shall not be liable for any losses incurred by a Shipper if a Shipper is unable to complete an imbalance trade once Shipper has notified TransColorado of the imbalance trade.
- 12.5 Imbalance Trading Marketing Fees. Upon request by Shipper, TransColorado will actively market imbalances for the fee specified in the Statement of Rates.
- 12.6 Assessment of Balancing Charges. If Shipper fails to maintain a thermal balance of receipts and deliveries in accordance with the provisions of this section, TransColorado shall impose imbalance as described below.

Any Shipper that fails to correct imbalances according to this section may, after two working days' notice, be assessed an imbalance charge equal to the product of the following: two times the Rocky Mountain area spot price of gas listed in INSIDE FERC'S GAS MARKET REPORT for the Rocky Mountain area delivered into Northwest Pipeline Corporation's facilities at the Crossover 16 interconnection with Questar Pipeline Company, times either (i) the quantity, in decatherms, by which Shipper's takes of gas from TransColorado's system exceed Shipper's deliveries of gas to TransColorado's system less fuel and lost and unaccounted-for gas or (ii), the quantity, in decatherms, by which Shipper's deliveries of gas to transporter's system, less fuel and lost and unaccounted-for gas, exceed Shipper's takes of gas from TransColorado's system.

TransColorado will not assess imbalance charges if (i) Shipper's action is excused by force majeure, (ii)

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TransColorado has invoked force majeure, (iii) imbalances which are caused by TransColorado or result from TransColorado's error or (iv) TransColorado has previously imposed and Shipper has previously paid imbalance charges on the quantities of gas comprising the imbalance amount.

In determining imbalances, TransColorado shall take into consideration (i) quantities retained for fuel and lost and unaccounted-for gas and (ii) additional quantities transported pursuant to any agreed-upon action. TransColorado and Shipper may mutually agree to offset excess or deficient quantities delivered under other transportation service agreements between TransColorado and Shipper.

All imbalance charges shall be invoiced according to Section 13 to these General Terms and Conditions.

- 12.7 Balancing Upon Termination. In the event the quantities of gas received and delivered are not in balance at the end of the term of the service agreement, then such balance shall be achieved at the earliest practicable date, not to exceed 45 days after the imbalance is determined by extending receipts or deliveries, as applicable, at the appropriate point(s) of receipt or point(s) of delivery, until such balance is achieved, or by such other method as is then mutually agreed upon by TransColorado and Shipper.
- 12.8 Maintenance of System Integrity. Nothing in this section limits TransColorado's right to take action that may be required to adjust receipts and deliveries of gas in order to alleviate conditions that threaten the integrity of its system, including maintenance of service to higher-priority customers.
- 12.9 Imbalances with the Other Parties. TransColorado shall not be responsible for eliminating any imbalances between Shipper and any third party. Furthermore, TransColorado shall not be obligated to adjust or deviate from its standard operating and accounting procedures in order to alleviate any such imbalances.
- 12.10 Unauthorized Receipt or Delivery of Gas. If a Shipper delivers gas to TransColorado or takes gas from TransColorado and (i) has made no nomination under an existing service agreement or (ii) has no valid service

GENERAL TERMS AND CONDITIONS
(Continued)

agreement, then TransColorado may impose the charges set forth in Section 12.6. In addition, upon determination that such unauthorized action has been taken by a Shipper, TransColorado may take action to terminate such unauthorized use of its system.

13. BILLING AND PAYMENT

13.1 On or before the 25th day of each month, TransColorado shall furnish to Shipper a monthly statement of the transportation charge in effect and of the total payment due for the transportation of gas during the preceding month (including any other applicable charges). TransColorado shall provide a schedule showing quantities of gas and heat content received and delivered, including equivalent quantities, unaccounted-for gas, fuel gas and any imbalance under Section 12. TransColorado may furnish an estimated statement and make appropriate adjustments in the statement rendered for the next succeeding month.

13.2 If capacity is released, the releasing Shipper will be billed the reservation charges associated with the entire amount of the releasing Shipper's CD. A conditional credit for the payment of the reservation portion of the charges corresponding to the released capacity will be applied to the releasing Shipper's bill. The releasing Shipper will also be billed any negotiated marketing fee.

TransColorado will bill the replacement shipper based on the rates specified in the service agreement and any other applicable charges. The replacement Shipper must pay the billed amount directly to TransColorado.

If a replacement Shipper fails to pay TransColorado, TransColorado will notify the releasing Shipper that the conditional credit has been reversed and of the amount due, including interest calculated in accordance with 18 C.F.R. Section 154.501(d). This amount must be paid by the releasing Shipper. If the replacement Shipper subsequently pays TransColorado, TransColorado will credit the amount received to the releasing Shipper.

13.3 When information necessary for billing purposes is in the control of Shipper, Shipper shall furnish such information to TransColorado on or before the 10th day of

GENERAL TERMS AND CONDITIONS
(Continued)

- the month with respect to deliveries of gas during the previous month.
- 13.4 Shipper and TransColorado shall have the right to examine, at reasonable times, books, records and charts of the other to the extent necessary to verify the accuracy of the statement, charge, or computation made under or pursuant to any of the provisions.
- 13.5 Shipper shall pay TransColorado, at its general office, or at such other address as TransColorado shall designate, the amount due for the preceding month within ten days after receipt by Shipper of the bill from TransColorado.
- 13.6 Should Shipper fail to pay all of the amount of any bill when such amount is due, TransColorado shall collect interest on the unpaid portion of the bill in the manner and at the rate prescribed by 18 C.F.R. Section 154.501(d). If such failure to pay continues for 30 days after payment is due, TransColorado, in addition to any other remedy it may have, after giving Shipper 15 days' written notice, may suspend further receipt and/or delivery of gas for Shipper until such amount is paid. If Shipper in good faith shall dispute the amount of any such bill, Shipper shall nevertheless pay to TransColorado the amount of such bill and, at any time thereafter within 30 days of a demand made by Shipper, TransColorado shall furnish a good and sufficient surety bond guaranteeing refund to Shipper upon such bills after a final determination by agreement, by determination of regulatory agencies having jurisdiction, or by judgment of the courts, as may be the case.
- 13.7 If it is determined that Shipper has been overcharged, and Shipper has paid the statement containing the overcharge then, within 30 days after the final determination, TransColorado shall refund the amount overcharged with interest in accordance with Section 13.5. If it is determined that Shipper has been undercharged, Shipper shall pay the amount undercharged with appropriate interest within 30 days of notice by TransColorado of the amount. Provided, however, no adjustment will be made to any statement more than 24 months from the date of such statement unless disputed within that period. In the event that any portion of a statement is in dispute, payment of the disputed portion shall not be deemed a waiver of the right

GENERAL TERMS AND CONDITIONS
(Continued)

to contest such disputed portion in any forum having jurisdiction.

14. FORCE MAJEURE

14.1 If because of a force majeure event either TransColorado or Shipper is rendered unable, wholly or in part, to perform its obligations under a service agreement incorporating these General Terms and Conditions, other than to make payments when due, and if such party gives notice of such event within a reasonable period of time and provides full particulars of the event in writing or by electronic communication (other than telephone), nonperformance of the party giving such notice shall be excused during the continuance of such event and to the extent its performance is affected by such event. The party claiming force majeure shall use due diligence to remedy its nonperformance with all reasonable dispatch, including the making of provision for such alternate performance as may be economical and practical.

14.2 No force majeure event affecting the performance by TransColorado or Shipper shall relieve such party of liability in the event of failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch. Nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payments as determined under the applicable rate schedule.

Any force majeure event that results in TransColorado's inability to transport all or any portion of Shipper's gas or that results in Shippers' inability to tender gas to TransColorado for transportation shall not operate to suspend or otherwise affect in any way Shipper's obligation to pay the applicable reservation charge. During any period when receipts are suspended in whole or in part due to a force majeure event, TransColorado may use resulting excess capacity created to transport or exchange any other volumes of gas made available to it. Such use of excess capacity shall not interfere with Shipper's right to have its gas transported.

GENERAL TERMS AND CONDITIONS
(Continued)

15. RESPONSIBILITY FOR GAS

15.1 As between Shipper and TransColorado, Shipper shall be responsible for its gas until it has been delivered to TransColorado at the points of receipt. TransColorado shall be responsible for the gas while it is in its system between the point of receipt and the point of delivery. After gas has been delivered to or for the account of Shipper by TransColorado at the point of delivery specified in the service agreement, Shipper shall again be responsible for the gas. The party that shall be responsible for the gas shall bear liability for all injury or damage caused by it. Notwithstanding anything to the contrary stated in these General Terms and Conditions, Shipper shall indemnify TransColorado for all injury, damage, loss or liability of TransColorado caused by Shipper's delivery of off-specification gas contrary to Section 11.

15.2 TransColorado shall purchase, own and be responsible for line pack-gas sufficient to operate its system.

16. WARRANTY

Shipper warrants that it will have at the time of delivery of gas for transportation good title or good right to deliver the gas. Shipper warrants that the gas it delivers shall be free and clear of all liens, encumbrances, and claims; that it will indemnify TransColorado and hold it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from any adverse claims of any person to the gas or to royalties, taxes, license fees, or charges that are applicable to such delivery of gas; and that it will indemnify TransColorado and hold it harmless from all taxes or assessments that may be levied and assessed upon such delivery and that are by law payable by the party making delivery.

17. ASSIGNMENTS

TransColorado may pledge or charge its interest under a service agreement under the provisions of any mortgage, deed of trust, indenture, security agreement, loan agreement, or similar instrument that it executes. Shipper shall not assign any of its rights under a service agreement incorporating these General Terms and Conditions, except as

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(Continued)

provided for in Section 6. Shipper may not pledge or charge its interest under a service agreement under the provisions of any mortgage, deed of trust, indenture, security agreement, loan agreement or similar instrument that it executes without the consent in writing of TransColorado. No person succeeding by purchase, merger or consolidation to the properties of Shipper shall be entitled to any part of the interest of Shipper under its service agreement without the written consent of TransColorado.

18. CREDITWORTHINESS

- 18.1 TransColorado shall not be required to initiate, perform or to continue any transportation service under any rate schedule for Shipper if Shipper is or has become insolvent or fails within 30 days of TransColorado's request for credit information to demonstrate creditworthiness.
- 18.2 Shipper must demonstrate evidence of creditworthiness by providing the following:
- (a) Primary bank references;
 - (b) Shipper's year-end audited financial statement and its last quarterly report;
 - (c) A credit report from a credit reporting agency that shows that Shipper pays its commercial obligations within a reasonable period.
- 18.3 Notwithstanding subparagraph 18.2(c), if Shipper is found to lack creditworthiness, Shipper may receive service if it prepays for such service or furnishes a letter of credit or other good and sufficient security, as determined by TransColorado in its reasonable discretion, in an amount equal to the cost of performing the service requested by Shipper for up to a three-month period.
- 18.4 The inability of Shipper to pay for the requested service or insolvency of Shipper may be evidenced by the filing by Shipper or any parent or affiliated company (collectively referred to in this paragraph as "Shipper") of a petition in bankruptcy or the entry of a decree or order by a court of competent jurisdiction adjudging Shipper bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or

GENERAL TERMS AND CONDITIONS
(Continued)

composition of Shipper's debts under the federal Bankruptcy Act or any other applicable federal or state law, or the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the assets of Shipper or the winding-up or liquidation of Shipper's affairs.

19. SHIPPER'S FAILURE TO COMPLY WITH TERMS

TransColorado shall not be required to perform service under any transportation rate schedule included in this tariff if Shipper fails to comply with the terms of its transportation service agreement and the General Terms and Conditions.

20. SYSTEM OPERATION

TransColorado may take such action as reasonably necessary to prevent damage to or material deterioration of its transmission system and to maintain the operational integrity of the system.

21. ANNUAL CHARGE ADJUSTMENT PROVISION

21.1 Purpose. TransColorado is assessed an annual charge by the FERC to reimburse the United States Treasury for costs incurred by the Commission, other than costs incurred in administering Part I of the Federal Power Act, and costs not covered by filing fees. To enable TransColorado to recover this annual charge, pursuant to 18 C.F.R. Section 154.402, this section establishes an Annual Charge Adjustment to be applicable to all of TransColorado's rate schedules as set forth in the Statement of Rates of this FERC Gas Tariff, Volume No. 1.

21.2 Basis of Annual Charge Adjustment. The rate schedules specified in the Statement of Rates of this tariff shall include the applicable Annual Charge Adjustment. Such adjustment shall be a base increment, specified by the FERC at the time it calculates the annual charge bills, and adjusted to TransColorado's pressure base and heat content, if required.

21.3 Accounting Procedure. TransColorado will account for annual charges paid by charging the amount to Account No. 928, Regulatory Commission Expenses, of the

GENERAL TERMS AND CONDITIONS
(Continued)

FERC's Uniform System of Accounts. It is TransColorado's intent not to recover any annual charges recorded in FERC Account No. 928 in an NGA Section 4 rate case.

- 21.4 Filing procedure. Filing by the TransColorado to change the Annual Charge Adjustment shall be made at least 30 days prior to the proposed effective date, with such period inclusive of 30 days' notice, unless, for good cause shown, lesser periods are allowed by valid FERC order. Any filing by TransColorado pursuant to this section shall not become effective until TransColorado has made payment of the annual charge and such filing has been approved by the FERC.
- 21.5 Payment. TransColorado shall remit to the FERC, within 45 days of the issuance of the bill by the FERC, payment of the annual charge assessed TransColorado unless TransColorado has filed a petition under 18 C.F.R. Section 382.105. Payment must be made to the United States Treasury.

22. GAS RESEARCH INSTITUTE ADJUSTMENT

- 22.1 GRI Charge. The Statement of Rates shall include an adjustment to be collected by TransColorado and remitted to the Gas Research Institute (GRI) for research, development and demonstration programs, as approved by the FERC in proceedings concerning GRI's expenditures. This charge shall be adjusted to Shipper's pressure base and heating value, if necessary.
- 22.2 Applicability. The GRI charge shall be applicable to all natural gas tendered to TransColorado for delivery under rate schedules in this tariff, except it shall not be applicable to natural gas that (a) is tendered by a Shipper that is a participating GRI member that includes an equivalent GRI charge in its rates applicable to such gas, or (b) is eventually resold to or transported by another interstate pipeline that applies an equivalent GRI charge to such gas or (c) is discounted.
- 22.3 Filing Procedure. Filings by TransColorado to change the GRI charge shall be made at least 45 days prior to proposed effective date. Such period shall include at least 30 days' notice to Shipper unless a lesser period is approved by the FERC. Any filing by TransColorado pursuant

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(Continued)

to this section shall not become effective unless it does so without suspension or refund obligation.

- 22.4 Remittance to GRI. Not later than 15 days after receipt of monies received from the GRI charge, TransColorado shall remit such funds to GRI, less any amounts properly payable to federal, state or local authorities.

23. COMPLIANCE PLAN FOR TRANSPORTATION SERVICES

Purpose. TransColorado is an interstate naturalgas pipeline company that transports natural gas for others pursuant to Subparts B and G of Part 284 and is affiliated through its corporate parents (an equal partnership comprised of El Paso TransColorado Company, K N TransColorado, Inc., and Questar TransColorado, Inc.) with corporations which may engage in marketing or brokering activities as defined in Section 161.2 of the Commission's Regulations. Section 23 provides the information and procedures required by 18 C.F.R. Section 250.16(b) and (c).

- 23.1 Shared personnel and facilities. TransColorado, as a separate entity, does not share any operating personnel or facilities with any affiliated marketing or brokering entity. The three interstate pipeline companies that comprise TransColorado (El Paso Natural Gas Company, K N Interstate Gas Transmission Company, and Questar Pipeline Company) have complied with the procedures required by Sections 161 and 250.16 of the Commission's Regulations.

- 23.2 Complaint Procedures. If an existing or potential Shipper has a concern relating to any request for transportation service or any ongoing transportation service, Shipper may complete the inquiry form included in this Tariff. Shipper shall complete the inquiry form and return it to:

TransColorado Gas Transmission Company
Post Office Box 1492
El Paso, Texas 79978
Attention: Director, Customer Accounting
Services Department
(Street Address: 100 N. Stanton
El Paso, Texas 79901)

TransColorado shall notify Shipper within 48 hours that the inquiry has been received. Each inquiry will be noted on the transportation request log. Each inquiry shall be investigated, and TransColorado shall inform Shipper in writing within 30 days of receipt of the inquiry of the action, if any, taken in response to Shipper's inquiry.

Effective Date: 12/05/1996 Status: Effective
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Original Sheet No. 77 Original Sheet No. 77 : Superseded

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TransColorado shall maintain a separate file for all shipper inquiries and TransColorado's responses.

- 23.3 Transportation Log. Transporter does not rely on contract data to allocate capacity. Therefore, Transporter will not maintain a log containing the information required by Section 250.16(c)(1) of the Commission's Regulations.

24. ACCOUNTING DEPRECIATION

TransColorado has used a depreciation method in establishing its rates that differs from the traditional

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straight-line method. Shippers will pay rates under their transportation agreements that will incorporate TransColorado's methodology.

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FERC Docket: CP90-1777-009

Original Sheet No. 79 Original Sheet No. 79 : Superseded

GENERAL TERMS AND CONDITIONS
(Continued)

SHIPPER INQUIRY FORM

Name of inquirer:

Identification of contract under question:

Designation of time period involved:

Nature of inquiry or complaint:

Signature _____

Title _____

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

Second Revised Sheet No. 100 Second Revised Sheet No. 100 : Superseded
Superseding: First Revised Sheet No. 10

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available for firm transportation service on behalf of any Shipper in accordance with 18 C.F.R. Part 284, Subparts B and provided that:

(a) TransColorado has available pipeline system capacity to render the firm service requested;

(b) TransColorado is not required to construct or acquire any additional facilities to provide the desired transportation service, except as provided by Section 3.1(e) below; and

(c) Shipper and TransColorado have executed a Transportation Service Agreement for service under Rate Schedule FT.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Firm Service. The transportation service provided under this rate schedule:

(a) Shall be firm service performed pursuant to 18 C.F.R. Part 284, Subparts B and G;

(b) Shall apply to all gas transported by TransColorado for Shipper under this rate schedule up to the contract demand (CD) as defined in Section 1.8 of the General Terms and Conditions and specified in the Transportation Service Agreement;

(c) Shall be subject to interruption as provided in Section 8 of the General Terms and Conditions;

(d) Shall be provided in accordance with availability of capacity as determined by Section 8 of the General Terms and Conditions; and

(e) May be released on a permanent or temporary basis according to the terms of Section 6 of the General Terms and Conditions.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 101 Second Revised Sheet No. 101 : Superseded
Superseding: First Revised Sheet No. 101
RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

2.2 Authorized Overrun Service. Upon request of Shipper, TransColorado may elect to receive, transport and deliver volumes of gas in excess of Shipper's CD. Such service shall be interruptible and available only to the extent it does not impair TransColorado's ability to render transportation service in accordance with Section 8 of the General Terms and Conditions.

3. RATE PROVISIONS

3.1 Specified Charges. Unless otherwise mutually agreed to, Shipper shall pay the maximum rates for transportation service under this rate schedule as set forth in the currently effective Statement of Rates, as adjusted from time to time. The charges shall include the following:

(a) Reservation Charge. A monthly reservation charge shall be assessed for each Dth of Shipper's CD, subject to the following conditions:

(i) The reservation charge shall be set forth in the Transportation Service Agreement and shall be no more than the maximum nor less than the minimum rate specified in the Statement of Rates.

(ii) Shipper shall be obligated to pay the reservation charge beginning on the date agreed to by Shipper and TransColorado.

(iii) If the effective date of any Rate Schedule FT Transportation Service Agreement occurs on any day other than the first day of a month, or the termination of any Rate Schedule FT Transportation Service Agreement occurs on any day other than the last day of a month, then the rate used in the calculation of the reservation charge for such partial month shall be based on the ratio of the number of days that transportation service was in effect to the total number of days in such month.

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Sixth Revised Sheet No. 102 Sixth Revised Sheet No. 102 : Superseded
Superseding: Fifth Revised Sheet No. 102

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

3. RATE PROVISIONS (Continued)

(b) Usage Charge. Shipper shall pay the appropriate usage charge for all gas nominated by Shipper and confirmed by TransColorado for delivery. The usage charge shall be set forth in the Transportation Service Agreement or any amendment and shall be no more than the maximum nor less than the minimum rate specified in the Statement of Rates.

(c) Shipper shall reimburse TransColorado for fuel use and lost-and-unaccounted-for gas in kind according to 12.11 of the General Terms and Conditions of this tariff.

(d) Overrun Charges. Shipper shall pay all overrun charges that may be assessed in accordance with this rate schedule and TransColorado's Statement of Rates for all authorized or unauthorized transportation service provided by TransColorado. Authorized Overrun Charges will be subject to the maximum and minimum Rate Schedule IT usage charges.

(e) Additional Facility Charge. Unless otherwise provided in the Transportation Service Agreement or related documents, in the event TransColorado and Shipper agree in writing that additional facilities are necessary in order to implement the service contemplated under the Transportation Service Agreement, Shipper agrees to reimburse TransColorado for all costs, including the income tax costs, associated with the construction and installation of such facilities which shall be owned, operated and maintained by TransColorado.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Third Revised Sheet No. 103 Third Revised Sheet No. 103 : Superseded
Superseding: Substitute Second Revised Sheet No. 103

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

3. RATE PROVISIONS (Continued)

(f) Balancing Charges. An additional charge may be assessed in accordance with Section 12 of the General Terms and Conditions.

(g) Marketing Fee. Shipper and TransColorado may agree upon a fee to be paid by Shipper to TransColorado when TransColorado actively markets any capacity that is released to an Acquiring Shipper.

(h) Other Charges. TransColorado shall charge Shipper and Shipper shall pay for any other FERC approved charges that may apply to service under this rate schedule.

3.2 Tariff Changes. TransColorado may from time to time file with the FERC to change the rates set forth on the Statement of Rates or the General Terms and Conditions applicable to service under this rate schedule. TransColorado shall be entitled to implement such changed rates for service rendered to Shipper under this rate schedule on their effective dates, subject to such refunds, surcharges or other conditions that are specified as terms of the Transportation Service Agreement or that are permitted or required by the FERC. Nothing in this section limits Shipper's rights to contest such changes, or limits the rights of Shipper and TransColorado to provide for changes in rates through the terms of the Transportation Service Agreement.

3.3 Negotiated Rates. Notwithstanding anything to the contrary contained in this Tariff, TransColorado and Shipper may negotiate a rate that exceeds the maximum reservation and usage rates for service under this rate schedule. TransColorado's maximum rate as shown on its Statement of Rates is available as a recourse rate for any Shipper that does not desire to negotiate a rate with TransColorado. The agreement by the Shipper to accept a negotiated rate does not, in any manner, restrict the Shipper's right to elect recourse rates for other services. This provision does not allow TransColorado and Shipper to negotiate terms and conditions.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 104 Second Revised Sheet No. 104 : Superseded
Superseding: First Revised Sheet No. 104

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

4. RECEIPT AND DELIVERY

4.1 Primary and Alternate Points. The primary receipt and delivery points for gas tendered by Shipper to TransColorado will be the points designated in the Transportation Service Agreement. Firm Shippers shall have priority over interruptible Shippers at any receipt point or delivery point located within the path of the service for which the Shipper is paying. All other receipt and delivery points on TransColorado's System will be available as alternate points to Shippers under this rate schedule in accordance with Section 8 of the General Terms and Conditions.

4.2 Receipt. TransColorado shall receive on each day at each Receipt Point, such quantity of natural gas, if any, up to the CD specified for each Receipt Point listed on the Transportation Service Agreement, not to exceed the physical capacity of such point, as may be tendered to TransColorado by Shipper, and transport such quantity on a firm basis for Shipper.

4.3 Delivery. TransColorado shall deliver and Shipper shall accept or cause to be accepted at the Delivery Point(s), a quantity of natural gas equivalent to the quantities of natural gas received by TransColorado at the Receipt Points for transportation in accordance with Section 4.2.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are applicable to this rate schedule and are incorporated by reference.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

Second Revised Sheet No. 105 Second Revised Sheet No. 105 : Superseded
Superseding: First Revised Sheet No. 105

Reserved Sheets

Second Revised Sheet No. 105,
First Revised Sheet Nos. 106 through 109 have been reserved.

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Original Sheet No. 106 Original Sheet No. 106 : Superseded

Contract No. _____
Amendment No. _____

INTERRUPTIBLE TRANSPORTATION AMENDMENT FORM
Rate Schedule IT
Amended Terms

1. SHIPPER'S NAME AND ADDRESS:

2. QUANTITY TO BE TRANSPORTED:
_____ Dth/day
3. TERM OF THE AGREEMENT:
_____ to _____
4. RENEWAL TERM:
_____ None
_____ Month to month
_____ Other: _____
5. USAGE CHARGE:
_____ The maximum rate on TransColorado's Statement of Rates.
_____ A discounted rate of \$ _____/Dth
6. EFFECTIVE DATE OF CHANGES:
_____, 199__
7. ADDITIONAL TERMS AND CONDITIONS:

This Agreement includes all the terms and conditions of TransColorado's FERC Gas Tariff, Original Volume No. 1 and the terms, conditions and signatures of Shipper's Access Agreement with TransColorado.

Shipper Approval _____
(Signature Code)

Date: _____ Time _____

Transcolorado Gas Transmission Company Approval _____
(Signature Code)

Date: _____ Time _____

Effective Date: 12/05/1996 Status: Effective
FERC Docket: CP90-1777-009

Original Sheet No. 107 Original Sheet No. 107 : Superseded

ELECTRONIC BULLETIN BOARD ACCESS AGREEMENT

This Agreement is entered into this _____ day of _____, 19____, between TransColorado Pipeline Company (TransColorado), 79 South State Street, Salt Lake City, Utah 84111, and _____ (Shipper).

The Parties represent as follows:

A. TransColorado has established an electronic bulletin board (EBB). The EBB is an interactive information and transaction service accessible by personal computer over a telephone line. The EBB allows shippers on TransColorado's system to obtain information regarding available capacity on TransColorado's system, to release and acquire capacity and to contract with TransColorado for that capacity.

B. Shipper desires to obtain information from and/or transact business with TransColorado using the EBB.

The Parties agree as follows:

1. Shipper shall have access to TransColorado's EBB through an access code. TransColorado will assign the access code to Shipper. The access code may be changed by TransColorado upon request by Shipper.

2. Before Shipper may transact business on TransColorado's EBB, Shipper must comply with TransColorado's creditworthiness requirements set out in TransColorado's FERC Gas Tariff, Original Volume No. 1 (Tariff). Once Shipper has met TransColorado's creditworthiness requirements, Shipper will be assigned a signature code that may be used to transact business on TransColorado's EBB. Shipper will be bound by any transaction conducted on the EBB using Shipper's signature code.

3. If Shipper transacts business on TransColorado's EBB, Shipper agrees to be bound by all the terms and conditions of TransColorado's FERC Gas Tariff, Original Volume No. 1. Each transaction on TransColorado's EBB specifically incorporates TransColorado's Tariff, shipper's signature on this agreement and the terms and conditions of this agreement, as the terms and conditions of the transaction.

Effective Date: 12/05/1996 Status: Effective
FERC Docket: CP90-1777-009

Original Sheet No. 108 Original Sheet No. 108 : Superseded

ELECTRONIC BULLETIN BOARD ACCESS AGREEMENT
(Continued)

4. Shipper must notify TransColorado of all persons in Shipper's organization who have access to Shipper's access and signature codes. Shipper must immediately notify TransColorado when a new person is given use of the access and signature codes or when a person's use has been revoked by Shipper. Shipper must promptly inform TransColorado of any apparent breach of security, such as loss, theft or unauthorized disclosure or use of the Shipper's access code. Until TransColorado is notified by telephone at 1-801-534-5092 or FAX at 1-801-534-5838 of a breach of security, the Shipper will remain liable for any unauthorized use of or transaction conducted on the EBB using Shipper's access and signature codes.

5. Shipper may download, store, manipulate, analyze, reformat, print and utilize the information from the EBB only for its own uses related to transportation on TransColorado's system. Shipper shall not directly or indirectly publish, broadcast or distribute the information in any medium except that Shipper may use portions of the information for internal printed communications and memoranda.

6. The EBB service is provided for use by Shipper only and the service and the information contained on the EBB may not be resold in whole or part or otherwise commercially exploited by Shipper without TransColorado's express written agreement. This Agreement may not be assigned or transferred to any other entity.

7. Shipper must provide all personal computer communications equipment necessary to gain access to the EBB service. TransColorado will provide a local telephone number for accessing the EBB. Shipper must have computer equipment and communication software compatible with TransColorado's EBB. Compatible computer equipment includes, but is not limited to, an IBM or IBM compatible PC and Haye's or Haye's compatible modem capable of operating at a rate from 1200 to 9600 baud.

Effective Date: 12/05/1996 Status: Effective
FERC Docket: CP90-1777-009

Original Sheet No. 109 Original Sheet No. 109 : Superseded

ELECTRONIC BULLETIN BOARD ACCESS AGREEMENT
(Continued)

8. The EBB will be available for general access from 2:00 a.m. to Midnight Mountain Time daily. Shippers may access the EBB to release, bid and contract for capacity from 6:00 a.m. to 6:00 p.m. Mountain Time each working day. TransColorado's EBB will be down from 12:01 to 1:59 a.m. Mountain Time daily or when pre-scheduled during other periods for operational necessity.

9. Unauthorized access by Shipper to the EBB, to restricted portions of the EBB or to other telecommunications or computer facilities used to deliver the EBB services are a breach of this Agreement and a violation of law.

10. TransColorado shall have no liability to Shipper or any other party for damages caused or allegedly caused by any failure of performance, error, omission, interruption, deletion, defect, delay in operation or transmission, communication and line failure, theft or destruction, or unauthorized access to alteration of or use of the EBB, whether for breach of contract, tortious behavior, negligence or under any other cause or action. TransColorado shall not be liable to Shipper or any other party for any direct, consequential, punitive, special or other damages arising in any way from any errors, omissions, inaccuracies or the availability of the information regardless of the form of the action, whether in contract or tort.

11. TransColorado expressly disclaims any and all warranties, including, without limitation, any warranties as to the availability, accuracy or content of information located on the EBB and any warranties of merchantability or fitness for a particular purpose.

12. TransColorado may terminate a Shipper's access to TransColorado's EBB without notice for violation of this Agreement.

13. Shipper shall not be authorized to access TransColorado's EBB or transact business on TransColorado's EBB until Shipper has received its access and signature code from TransColorado.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 110 Second Revised Sheet No. 110 : Superseded
Superseding: First Revised Sheet No. 110

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available for interruptible transportation service on behalf of any Shipper in accordance with 18 C.F.R. Part 284, Subparts B and G provided that:

(a) TransColorado has the capability to provide such service without impairment to the service being provided to any shipper that has contracted for firm transportation service under Rate Schedule FT to this FERC Gas Tariff;

(b) TransColorado is not required to construct or acquire any additional facilities to provide the desired transportation service, except as provided by Section 3.1(c) below; and

(c) Shipper and TransColorado have executed a Transportation Service Agreement for service under Rate Schedule IT.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Interruptible Service. The transportation service provided under this rate schedule:

(a) Shall be interruptible service performed pursuant to 18 C.F.R. Part 284, Subparts B and G;

(b) Shall apply to all gas transported by TransColorado for Shipper under this rate schedule up to the daily quantity as defined in Section 1.11 of the General Terms and Conditions and specified in the Transportation Service Agreement;

(c) Shall be subject to interruption as provided in Section 8 of the General Terms and Conditions; and

(d) Shall be provided in accordance with availability of capacity as determined by Section 8 of the General Terms and Conditions.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 111 First Revised Sheet No. 111 : Superseded
Superseding: Original Sheet No. 111

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

2.2 Authorized Overrun Service. Upon request of Shipper, TransColorado may elect to receive, transport and deliver volumes of gas in excess of Shipper's Daily Quantity. Such service shall be rendered on an interruptible basis and provided in accordance with Section 8 of the General Terms and Conditions and is subject to the maximum and minimum rates for IT transportation service.

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Fifth Revised Sheet No. 112 Fifth Revised Sheet No. 112 : Superseded
Superseding: Fourth Revised Sheet No. 112

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

3. RATE PROVISIONS

3.1 Specified Charges. Unless otherwise mutually agreed to, Shippers shall pay the maximum rate for transportation service under this rate schedule as set forth in the currently effective Statement of Rates, as adjusted from time to time. The charges shall include the following:

(a) Usage Charge. Shipper shall pay the appropriate usage charge for all gas nominated and confirmed for delivery. The usage charge shall be set forth in the Transportation Service Agreement or any amendment, and shall be no more than the maximum nor less than the minimum rate specified in the Statement of Rates.

(b) Shipper shall reimburse TransColorado for fuel use and lost-and-unaccounted-for gas in kind according to 12.11 of the General Terms and Conditions of this tariff.

(c) Additional Facility Charge. Unless otherwise provided in the Transportation Service Agreement or related documents, in the event TransColorado and Shipper agree in writing that additional facilities are necessary in order to implement the service contemplated under the Transportation Service Agreement, Shipper agrees to reimburse TransColorado for all costs, including the income tax costs, associated with the construction and installation of such facilities which shall be owned, operated and maintained by TransColorado.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 113 Second Revised Sheet No. 113 : Superseded
Superseding: Substitute First Revised Sheet No. 113

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

3. RATE PROVISIONS (Continued)

(d) Balancing Charges. An additional charge may be assessed in accordance with Section 12 of the General Terms and Conditions.

(e) Other Charges. TransColorado shall charge Shipper for any other FERC-approved charges that may apply to service under this rate schedule.

(f) Overrun Charges. Shipper shall pay all overrun charges that may be assessed in accordance with this rate schedule and TransColorado's Statement of Rates for all authorized or unauthorized transportation service provided by TransColorado.

3.2 Tariff Changes. TransColorado may, from time to time, file with the FERC to change the rates set forth on the Statement of Rates or the General Terms and Conditions applicable to service under this rate schedule. TransColorado shall be entitled to implement such changed rates for service rendered to Shipper under this rate schedule on their effective dates, subject to such refunds, surcharges or other conditions that are specified as terms of the Transportation Service Agreement or that are permitted or required by the FERC. Nothing in this section limits Shipper's rights to contest such changes, or limits the rights of Shipper and TransColorado to provide for changes in rates through the terms of the Transportation Service Agreement.

3.3 Negotiated Rates. Notwithstanding anything to the contrary contained in this Tariff, TransColorado and Shipper may negotiate a rate that exceeds the maximum usage rates for service under this rate schedule. TransColorado's maximum rate as shown on its Statement of Rates is available as a recourse rate for any Shipper that does not desire to negotiate a rate with TransColorado. The agreement by the Shipper to accept a negotiated rate does not, in any manner, restrict the Shipper's right to elect recourse rates for other services. This provision does not allow TransColorado and Shipper to negotiate terms and conditions.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 114 First Revised Sheet No. 114 : Superseded
Superseding: Original Sheet No. 114

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

4. RECEIPT AND DELIVERY

4.1 Receipt and Delivery Points. All receipt and delivery points on TransColorado's transmission system shall be at the interconnections of the facilities of TransColorado and Shipper and are available for use on an interruptible basis by interruptible shippers upon TransColorado's acceptance of a confirmed nomination.

4.2 Receipt. TransColorado shall accept such volumes of natural gas on behalf of Shipper at the Receipt Point(s) listed on the Transportation Service Agreement, provided, however, that TransColorado shall only be obligated to accept that volume of natural gas which TransColorado determines, in its sole discretion, it has available capacity to receive, transport, and deliver and provided further that in no event shall TransColorado be obligated to accept on any day in excess of the Daily Quantity for each Receipt Point.

4.3 Delivery. TransColorado shall deliver and Shipper shall accept or cause to be accepted at the Delivery Point(s), a quantity of natural gas equivalent to the quantities of natural gas received by TransColorado at the Receipt Points for transportation in accordance with Section 4.2. Provided, however, that in no event shall TransColorado be obligated to deliver on any day in excess of the Daily Quantity for each Delivery Point as designated in the Transportation Service Agreement.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are applicable to this rate schedule and are incorporated by reference.

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FERC Docket: RP02- 5-001

Second Revised Sheet No. 115 Second Revised Sheet No. 115 : Superseded
Superseding: First Revised Sheet No. 115

RATE SCHEDULE PALS
PARK AND LOAN SERVICE

1. AVAILABILITY

1.1 This Park and Loan Service (PALS) Rate Schedule is an interruptible service available to any entity (hereinafter called Shipper) which submits to TransColorado Gas Transmission Company (hereinafter called TransColorado):

(a) A valid request for service under this Rate Schedule PALS as defined in Section 4 hereof and executes an agreement for such service (PALS Agreement); and

(b) Enters into one or more valid PALS Request Orders (PALS RO), as defined in Section 4 hereof which, when executed by TransColorado and Shipper, shall evidence their agreement as to the terms of the particular transaction(s) to park and loan gas pursuant to the PALS Agreement.

1.2 Shipper shall arrange separately with TransColorado and others as necessary for any transportation attendant to the PAL service provided hereunder, i.e., in delivering gas to or taking gas away from the designated point(s), and Shipper shall pay separately for such transportation service.

1.3 Shipper shall provide TransColorado with reasonable assurances that Shipper can satisfactorily perform under an applicable PALS RO.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule PALS shall apply to all PAL services which are rendered by TransColorado pursuant to an executed PALS Agreement and related PALS RO. Under Rate Schedule PALS, a Shipper may nominate a quantity of gas at mutually agreeable point(s) on TransColorado's system, to be held or loaned by TransColorado for a specified period defined in the PALS RO. It is understood that TransColorado is providing the PAL service hereunder through the use of its line pack and/or operational gas; TransColorado is not providing a gas supply service under this Rate Schedule PALS, nor is TransColorado providing a storage or transportation service under this Rate Schedule PALS. Contracting for and nominating service to and from the designated point(s) shall be the Shipper's sole responsibility.

RATE SCHEDULE PALS

2.2 Under this Rate Schedule PALS, TransColorado shall only park gas or loan gas to the extent TransColorado determines that such actions are not detrimental to its ability to satisfy any of its existing obligations with higher priority service or to meet system operational needs. TransColorado may, based on its reasonable determination of its operational capability and in a non-discriminatory manner, interrupt or decline to schedule any or all of the services hereunder and, if such actions are required to avoid interference with firm service or to protect the integrity of the system, will do so prior to applying Section 20, System Operation, of the General Terms and Conditions of this Tariff and subject to Section 8 hereof.

2.3 All mutually agreeable points of receipt and delivery on TransColorado's system are available on a non-discriminatory basis for service under this Rate Schedule PALS. Unless an alternative point is agreed upon by TransColorado and the Shipper, the same point must be utilized to initiate and to complete a specific park and loan transaction. The specific point(s) for a park or loan shall be set forth in the applicable PALS RO.

2.4 Subject to the provisions of Section 2.2 above, Park and Loan Services available under this Rate Schedule PALS include:

(a) Park Service: shall consist of TransColorado's receipt of a quantity of natural gas at the designated Receipt Point(s) on the designated date(s), requested by Shipper under a PALS RO and approved by TransColorado; TransColorado's holding of such parked quantity of gas for Shipper's account and TransColorado's redelivery of the parked quantity of gas to Shipper at the designated Delivery Point(s) and on the designated date(s) set forth in such PALS RO.

(b) Loan Service: shall consist of TransColorado lending a specified quantity of natural gas, requested by Shipper and approved by TransColorado, from designated Delivery Point(s) set forth in Shipper's PALS RO, and the Shipper's redelivery of and TransColorado's acceptance of such volumes for Shipper's account at the designated Receipt Point(s) on the designated date(s) set forth in such PALS RO.

2.5 TransColorado will post on its Interactive Web Site the availability of PALS from time to time.

RATE SCHEDULE PALS

3. NOMINATIONS AND SCHEDULING

3.1 It shall be Shipper's sole responsibility to provide TransColorado with daily nominations of the quantity of gas to be received or delivered at the Receipt or Delivery point(s) under the applicable PALS RO. Nominations for any day or for any nomination cycle must be consistent with the PALS RO. It shall also be Shipper's responsibility to cause gas to be delivered to TransColorado and to cause gas to be received from TransColorado in accordance with the PALS RO. Nominations shall be subject to confirmation and scheduling in accordance with the General Terms and Conditions of this Tariff. If a nomination for payback on a loan, or withdrawal on a park is consistent with the PALS RO but cannot be confirmed by TransColorado, the Shipper must continue to nominate on subsequent days until TransColorado can confirm the nomination, unless the parties agree on a revised PALS RO. Service under Rate Schedule PALS is provided on an interruptible basis.

3.2 Priorities of service for the purposes of scheduling and curtailment shall be governed by Sections 8.1 and 8.3, respectively, of the General Terms and Conditions of this Tariff.

3.3 In the event it is necessary to decline to schedule or to interrupt, curtail or suspend service under PALS because of operational conditions or to satisfy obligations with a higher priority, TransColorado shall provide actual notice to Shipper. In that event, Shipper must comply with the directive(s) contained in TransColorado's notification within the time specified.

3.4 If Shipper fails to comply with the requirements set out in a notification under Section 3.3 above, then Section 8 of this Rate Schedule PALS shall apply.

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Original Sheet No. 118 Original Sheet No. 118 : Superseded

RATE SCHEDULE PALS

4. VALID REQUESTS FOR PALS AGREEMENT(S) AND FOR PALS RO(S)

4.1 A request for service under this Rate Schedule PALS shall be valid as of the date received if it complies with this Section 4 and contains adequate information on all of the items specified in Sections 4.3(a) and 4.3(b), subject to any necessary verification of such information and to the following:

(a) A request shall not be valid and TransColorado shall not be required to grant any such request: (1) which could in TransColorado's judgment interfere with efficient operation of its system or with service to any firm Shipper; (2) which would require the construction, modification, expansion, or acquisition of any facilities to enable it to perform such services; provided, however, that TransColorado may agree in its reasonable discretion to construct, modify, expand, or acquire any facilities; (3) unless and until Shipper has provided TransColorado with the information required in Section 4.2 hereof and the assurances required under Section 1.3 hereof; (4) if TransColorado determines, based on the credit analysis referenced in Section 4.2(d), that Shipper does not possess sufficient financial stability to make it reasonably likely the service provided hereunder will be paid for on a timely basis; (5) if the service requested would not comply with this Rate Schedule PALS; or (6) if the service requested is at less than the applicable maximum rate; provided, however, that TransColorado may agree to provide service hereunder at a discount consistent with this Rate Schedule PALS. Nothing herein is intended to govern the scheduling and curtailment of service once a request for service has been granted pursuant to Section 4 hereof and while Agreements under this Rate Schedule are in effect. Such matters are governed by Section 3 of this Rate Schedule and the applicable General Terms and Conditions of this Tariff.

(b) TransColorado may agree, however, to construct, modify, expand or acquire facilities to perform service under this Rate Schedule PALS on a non-discriminatory basis whenever such is deemed, in TransColorado's reasonable judgment, to be economically, operationally and technically feasible, subject to the following conditions:

(1) TransColorado has received an executed revised service agreement from existing and prospective Shipper(s) requesting such additional facilities or expansion of capacity;

(2) TransColorado does not have physical facilities or adequate capacity in the system to accommodate requests for service of existing and prospective Shippers accepted by TransColorado pursuant to Section 4.1 hereof;

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Original Sheet No. 119 Original Sheet No. 119 : Superseded

RATE SCHEDULE PALS

(3) The nature, extent and timing of facilities required shall be at the reasonable discretion of TransColorado; and

(4) TransColorado receives acceptable assurance of financial reliability from any Shipper requesting capacity. TransColorado shall maintain a separate record of the nature and costs of such facilities and assess new facility charges in accordance with Section 3.1(c) of the Interruptible Transportation service Rate Schedule of this Tariff.

(c) TransColorado shall promptly notify Shipper if it cannot satisfy an otherwise valid request, in whole or in part. Any request shall be null and void unless it is substantially complete and complies with this Rate Schedule. In the event a request is substantially but not entirely complete, TransColorado shall inform Shipper in writing of the specific items needed to complete the PALS Agreement, after which Shipper shall have fifteen (15) days to provide the specified information. In the event such information is not received within fifteen (15) days, Shipper's request shall be null and void.

(d) TransColorado shall tender a PALS Agreement to Shipper for execution when Shipper's request for service is accepted. Unless waived by TransColorado, a request for service shall be invalid if Shipper fails to execute and tender a PALS Agreement hereunder within ten (10) days after the PALS Agreement has been tendered by TransColorado for execution. An executed PALS RO must be submitted to TransColorado prior to commencement of service.

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Original Sheet No. 120 Original Sheet No. 120 : Superseded

RATE SCHEDULE PALS

4.2 In addition to the information provided in the PALS Agreement, Shipper also shall provide the following information to TransColorado with its initial request for service:

(a) The Park and Loan Service provided for under this Rate Schedule PALS shall be performed under Part 284 of FERC's Regulations. Shipper shall only tender gas under this Rate Schedule PALS to the extent service hereunder would qualify under the applicable statutes, regulations, FERC orders and the blanket certificate authorizing service by TransColorado under this Rate Schedule PALS. For service under Subpart B of Part 284, Shipper shall provide to TransColorado with its initial request for service appropriate certification, including sufficient information in order for TransColorado to verify that the service qualifies under Subpart B of Part 284 of the Regulations. Where required by FERC's Regulations, Shipper shall cause the intrastate pipeline or local distribution company on whose behalf the service will be provided to submit any necessary certification. Shipper shall provide the actual end user purchaser name(s) to TransColorado if TransColorado must provide them to the FERC.

(b) Shipper will warrant for itself, its successors and assignees, that it will at the time of delivery to TransColorado have title to all gas free and clear of all liens, encumbrances, and claims whatsoever. Shipper will indemnify TransColorado and hold it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of adverse claims of any or all persons or parties to said gas, including claims for royalties, taxes, license fees or charges applicable to such gas or to the delivery thereof to TransColorado under this Rate Schedule; and

(c) Shipper has entered into all necessary arrangements to assure that upstream and downstream transportation, if any, will be in place prior to the commencement of service on TransColorado's pipeline.

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Substitute Original Sheet No. 121 Substitute Original Sheet No. 121 : Superseded

RATE SCHEDULE PALS

4.3 Requests for service hereunder shall be deemed valid only after the following information is provided by Shipper via TransColorado's Interactive Web Site or in writing to:

TransColorado Gas Transmission Company
Account Services Department
P.O. Box 281304
370 Van Gordon Street
Lakewood, CO 80228-8304
Facsimile Number: (303) 763-3102

(a) For a PALS Agreement to be valid, the following information must be provided:

(i) GAS QUANTITIES

The request shall specify in Dth the Maximum Aggregate Quantity (MAQ) and Maximum Daily Quantity (MDQ) to be parked or loaned under any and all outstanding PALS RO Agreements.

(ii) TERM OF SERVICE

The request shall specify the date service is requested to commence and to terminate (primary term), and whether the request is subject to an evergreen provision (permitting an extension);

(iii) CREDIT

The request shall include a completed Credit Application Form, the form of which is contained in this Tariff. Acceptance of a request is contingent upon a satisfactory credit appraisal by TransColorado in accordance with the General Terms and Conditions of this Tariff;

(iv) COMPLIANCE WITH PALS TARIFF

Submission of a request for service hereunder shall be deemed agreement by Shipper that it will abide by the terms and conditions of this Rate Schedule PALS, including the applicable General Terms and Conditions for any Park and Loan Service provided under the PALS Agreement and any related PALS RO;

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Original Sheet No. 122 Original Sheet No. 122 : Superseded

RATE SCHEDULE PALS

(v) COMMISSION-REQUIRED FILING INFORMATION

The following information is to be provided at the time a request for service hereunder is submitted, and shall be updated when any PALS RO is executed:

(1) Affiliation of the Shipper with TransColorado;

(2) The identity of the Shipper, including whether it is a local distribution company, an end-user, a producer, a marketer, or other customer type.

(b) To implement a specific park and/or loan transaction, TransColorado and the Shipper with a PALS Agreement in effect shall enter into a PALS RO. For a PALS RO to be valid, the following information must be provided:

(i) SERVICE TYPE/PALS AGREEMENT

The PALS RO must specify that it relates to service under Rate Schedule PALS and must specify the PALS Agreement to which the PALS RO relates;

(ii) GAS QUANTITIES

The PALS RO shall specify in Dth the Maximum Aggregate Quantity (MAQ RO) and the Maximum Daily Quantity (MDQ RO) to be parked and/or loaned under the specific transaction; provided that the sum of all MAQ ROs and MDQ ROs under all pending PALS ROs cannot exceed the MAQ and MDQ under the applicable PALS Agreement. The PALS RO shall specify the minimum daily and aggregate volume and shall set out a park and/or loan schedule containing the quantity and timing information specified in Section 7 of this Rate Schedule;

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Original Sheet No. 123 Original Sheet No. 123 : Superseded

RATE SCHEDULE PALS

(iii) POINTS

The request shall specify the Point(s) at which gas is to be parked or loaned. Any mutually agreeable point(s) on TransColorado's system may be utilized for service under this Rate Schedule PALS. Unless otherwise mutually agreed, the point for completion of the park or loan must be the same as the point at which the park or loan was initiated;

(iv) TERM OF SERVICE

The request shall specify:

- (1) The date service is requested to commence;
- (2) The date service is requested to terminate; and
- (3) The term may include a range of permitted commencement and termination dates for service under the PALS RO, or for any portion of such service. No termination date may extend beyond the term of the PALS Agreement;

(v) SHIPPER CONTACT PERSONNEL

The PALS RO shall specify the persons to be contacted by TransColorado in connection with the PALS RO;

(vi) RATE

The PALS RO shall specify the rates under Section 6.1 at which the park or loan service will be provided. Rates may vary by time period, volumes or other permissible discounting parameters, within the applicable maximum and minimum rates;

(vii) SHIPPER ASSURANCES

Shipper shall provide TransColorado the assurances required by Section 1.3 hereof in connection with each PALS RO.

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Substitute Original Sheet No. 124 Substitute Original Sheet No. 124 : Superseded

RATE SCHEDULE PALS

5. TERM

5.1 The term of service hereunder shall be set forth in the PALS Agreement between Shipper and TransColorado. The PALS RO shall have a separately stated term or terms applicable to a particular transaction, which term may not extend beyond the term of the related PALS Agreement. Upon termination of any PALS Agreement and of any PALS RO, service by TransColorado to Shipper thereunder shall be terminated and automatically abandoned.

5.2 TransColorado may terminate any PALS Agreement if TransColorado is required by the FERC or some other agency or court to provide service for others utilizing the interruptible system capacity or capabilities required for service under such PALS Agreement, or if TransColorado ceases (after receipt of any requisite regulatory authorization) to offer service of the type covered by the PALS Agreement. Settlement of such terminated agreement shall be pursuant to Section 8.4.

6. RATE

6.1 (a) For the Park and Loan Service rendered to Shipper under this Rate Schedule PALS, Shipper shall pay TransColorado each month the sum of the following charges:

(i) An Initial Rate for each unit of gas tendered for park or taken for loan during that month;

(ii) A Park/Loan Balance Rate for each unit of gas which is parked or loaned under this Rate Schedule PALS for that month (such charge shall be calculated on the basis of the daily ending balance for each PALS RO for each day of the month); and

(iii) A Completion Rate for each unit of gas returned to TransColorado on completion (payback) of a loan or received by Shipper on completion (reversal) of a park that month.

The maximum and minimum rate(s) applicable to this Rate Schedule PALS are set forth in the Currently Effective Rates section of this Tariff, Original Volume No. 1. On any day, the sum of the Initial Rate, the Park/Loan Balance Rate and the Completion Rate assessed for any park or loan may not exceed the maximum PALS Initial Rate on a per unit basis.

Substitute Original Sheet No. 125 Substitute Original Sheet No. 125 : Superseded

RATE SCHEDULE PALS

(1) By mutual agreement between TransColorado and Shipper, which is consistent with the pro forma agreement set out in this Tariff, discounts or negotiated rates may be limited to specific volumes and/or specific periods.

(2) If a Shipper has submitted a nomination for a payback on a loan or a withdrawal on a park, and that nomination is consistent with the PALS RO but is not confirmed by TransColorado, the Park/Loan Balance Rate shall only be assessed as if the nomination had been confirmed. Pursuant to Section 3.1 of this Rate Schedule, the Shipper is obligated to continue to nominate on subsequent days until TransColorado is able to confirm the nomination, unless the parties agree on a revised PALS RO.

(b) Shipper shall pay any other applicable charges, penalties and fees set out in this Rate Schedule PALS or the General Terms and Conditions of this Tariff. Deviations from the approved PALS RO nominated volumes when compared to the allocated volumes will be assessed cashout charges under Section 12.6 of the General Terms and Conditions of this Tariff.

(c) Charges payable by any Shipper shall be based on the maximum rates set forth in this Tariff applicable to Rate Schedule PALS, which rates are hereby incorporated herein, unless a lower rate for the charge in subsection (a) is specified in the PALS RO. However, where a Shipper has agreed to pay a Negotiated Rate or a rate under a Negotiated Rate Formula, the rates assessed hereunder shall be governed by Section 23 of the General Terms and Conditions of this Tariff. A request for service at a Negotiated Rate or a rate under a Negotiated Rate Formula shall specify the Negotiated Rate or Negotiated Rate Formula on which the Shipper is willing to agree.

(d) The charges referenced herein cover only Park and Loan Services. Shipper must contract separately for any transportation service required for Shipper to move gas to or away from the point(s) specified in the PALS RO.

6.2 Authorized overrun charges apply if a Shipper nominates and TransColorado confirms volumes in excess of the approved MAQ and/or MDQ in the PALS agreement, or if Shipper fails to comply with any quantity or timing parameter in a PALS RO (unless the failure results from TransColorado not confirming a nomination properly submitted). Authorized overrun charges will be assessed at the maximum PALS rate, unless otherwise agreed to in writing by TransColorado. An unauthorized overrun charge of up to \$15 per Dth applies if the overrun is not nominated and confirmed. TransColorado may waive or discount unauthorized overrun charges on a non-discriminatory basis.

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Original Sheet No. 126 Original Sheet No. 126 : Superseded

RATE SCHEDULE PALS

6.3 (a) Shipper shall reimburse TransColorado within five (5) days after costs have been incurred by TransColorado for all fees required by the FERC or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees).

(b) If TransColorado constructs, acquires or modifies any facilities to perform service hereunder, then, as specified in an agreement related thereto between the parties, either:

(i) Shipper shall reimburse TransColorado for the cost of such facilities or facility modifications as described in Section 3.1(c) of the Interruptible Transportation service Rate Schedule of this Tariff; or

(ii) TransColorado shall assess a monthly charge reflecting such facility costs.

6.4 (a) TransColorado shall have the unilateral right to file with any appropriate regulatory authority and make changes effective in: (1) the rates and charges applicable under this Rate Schedule PALS, including both the level and design of such rates and charges; and/or (2) the terms and conditions of this Rate Schedule PALS. TransColorado agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of TransColorado's existing FERC Gas Tariff as may be found necessary to assure that its provisions are just and reasonable.

(b) If, at any time and from time to time, the FERC or any other governmental authority having jurisdiction in the premises allows or permits TransColorado to collect, or to negotiate to collect, a higher rate for the service hereunder, the rate shall, subject to any contrary provision of the PALS Agreement or PALS RO, be increased to the highest such rate. Should additional documentation be required in order for TransColorado to collect such highest rate, Shipper shall execute or provide such documentation within fifteen (15) days after a written request by TransColorado. If, at any time and from time to time, the FERC or any other governmental authority having jurisdiction in the premises requires TransColorado to charge a lower rate for service hereunder, the rate shall be decreased to such reduced rate.

Effective Date: 11/01/2001 Status: Effective

FERC Docket: RP02- 5-000

Original Sheet No. 127 Original Sheet No. 127 : Superseded

RATE SCHEDULE PALS

6.5 TransColorado may from time to time and at any time, upon twenty-four (24) hours verbal or written notice, subject to any provisions on discounting in the PALS Agreement or PALS RO, charge any individual Shipper for service under this Rate Schedule PALS a rate which is lower than the applicable maximum rate set forth in this Tariff; provided, however, that such rate charged may not be less than the applicable minimum rate for service under Rate Schedule PALS set forth in this Tariff. Unless otherwise agreed in the PALS Agreement or PALS RO, TransColorado may at any time further change such rate (subject to any restrictions as to maximum or minimum rates set out in this Tariff, the PALS Agreement and/or PALS RO) upon twenty-four (24) hours' verbal notice to Shipper, which notice shall be confirmed in writing. Such notification shall specifically state the effective date of such rate change and the quantity of gas so affected. TransColorado shall file with FERC any and all reports as required by FERC's Regulations with respect to the institution or discontinuance of any discount.

6.6 All revenues and gas in kind collected by TransColorado as a result of providing service under this Rate Schedule PALS shall be retained by TransColorado unless TransColorado has otherwise explicitly agreed on a different disposition of such amounts. Where crediting or refund mechanisms apply under other provision(s) of this Tariff or pursuant to effective FERC orders or settlements, such mechanisms shall supersede this Section to the extent necessary to carry out such provision(s).

Effective Date: 11/01/2001 Status: Effective

FERC Docket: RP02- 5-000

Original Sheet No. 128 Original Sheet No. 128 : Superseded

RATE SCHEDULE PALS

7. QUANTITY

Each PALS RO shall specify in Dth the MAQ RO and a daily schedule of the quantities (including the MDQ RO) to be parked and/or loaned under the specific transaction. The daily schedule of returned volumes by the Shipper or TransColorado shall also be specified in the PALS RO. The quantities may be specified as a range of volumes (maximum and minimum aggregate and daily quantities and the related time periods) to be parked and/or loaned and returned, and the schedule may include the flexibility to do either a park or a loan within specified volume and time limits. The schedule may provide for flexibility in total volumes and in the daily volumes parked and/or loaned, in the timing of the park or the loan (or any portion thereof), in the duration of the park and/or loan (or portion thereof), and/or in the timing of the completion of the park or loan (or portion thereof) by the return of gas to the Shipper or to TransColorado, and shall specify the limits of the flexibility allowed. Subject to the flexibility specified in the PALS RO, the MDQ RO shall be the maximum quantity TransColorado is obligated, on an interruptible basis, to receive from or deliver to Shipper hereunder on the specified day. The MAQ RO shall be the maximum aggregate quantity TransColorado is obligated to hold or loan for the account of Shipper hereunder on an interruptible basis for the specific transaction covered by the PALS RO. The minimum aggregate and daily volumes to be parked and/or loaned and returned on an interruptible basis shall also be specified in the PALS RO schedule. The sum total of a Shipper's MAQ ROs and MDQ ROs shall not exceed the MAQ and MDQ specified in the PALS Agreement. If a Shipper exceeds the timing parameter in the applicable PALS RO (unless such failure is due to TransColorado not confirming a nomination properly submitted), it shall be subject to overrun charges consistent with Section 6.2 of this Rate Schedule.

8. MANDATORY BALANCING

8.1 Mandatory Balancing shall apply in the following instances: (a) at the end of the term specified in any applicable PALS Agreement or PALS RO; (b) where the Shipper fails to comply either with the requirements of TransColorado's notice referenced in Sections 3 and 8.3(b) hereof; or (c) where Shipper fails to comply with the schedule of activities set forth in the applicable PALS RO and the deviation has not been agreed to and confirmed by TransColorado.

8.2 TransColorado shall require mandatory balancing effective the next day prior to taking action under Section 20 to the General Terms and Conditions of this Tariff, if TransColorado reasonably determines that doing so would facilitate system operations and minimize the severity of action under Section 20.

Effective Date: 11/01/2001 Status: Effective

FERC Docket: RP02- 5-000

Original Sheet No. 129 Original Sheet No. 129 : Superseded

RATE SCHEDULE PALS

8.3 (a) In the event that TransColorado notifies a PALS Shipper under Section 3 hereof, such notice shall specify the parked balance to be removed or the loaned balance to be returned, up to the full MAQ, and the timeframe within which the balance must be effectuated, but the specified timeframe shall not be less than three (3) days (in one-third daily increments) from the date of notification. TransColorado may allow additional time for contract balancing when operational conditions permit. Notification shall first be provided by telephone and then by facsimile, by e-mail or in writing. General notices will be posted on TransColorado's Interactive Web Site. In instances when notification is required during times other than normal business hours, TransColorado will provide such notification by telephone. To the extent Shipper fails to comply with such notice, the PALS RO shall terminate and the provisions of Section 8.4 shall apply.

(b) In the event that a Shipper fails to comply with the schedule of activities set forth in the applicable PALS RO, TransColorado shall notify Shipper, and the PALS RO shall be subject to termination in accordance with the terms of such notice. The provisions of Sections 8.4(a) and 8.4(b) shall then apply.

Effective Date: 11/01/2001 Status: Effective

FERC Docket: RP02- 5-000

Original Sheet No. 130 Original Sheet No. 130 : Superseded

RATE SCHEDULE PALS

8.4 (a) In the event that Shipper still has gas parked at the end of its contract term or because of failure to comply with the notice pursuant to Sections 3 and 8.2 above, the remaining balance shall be forfeited to TransColorado, free and clear of any adverse claims.

(b) Conversely, if the Shipper has not redelivered gas which was loaned by TransColorado by the end of its contract term or within the timeframe specified in the notice in Sections 3 and 8.2 above, the Shipper must purchase the unreturned balance at 150% of the highest index price from Inside FERC's Gas Market Report first of the month index for El Paso Natural Gas, San Juan Basin, as published by McGraw-Hill Companies during the term of the loan. In the event that the information used to determine the Monthly Index Price for the term of the loan is not available, then the Shipper must purchase the unreturned balance at 150% of the highest of the Midpoint prices for New Mexico San Juan Basin, El Paso, Non-Bondad, for each week (or the superseding reference if the publication titling is revised), as published in Gas Daily, as published by Financial Times Energy during the term of the loan. The amounts collected are subject to crediting in accordance with Section 12.10 of the General Terms and Conditions of this Tariff.

(c) The tariff provisions of Sections 8.4(a) and (b) above will be implemented by TransColorado on a non-discriminatory basis.

8.5 In circumstances where Shipper is unable to eliminate its PALS RO balance because TransColorado is unable to accept the PALS RO nomination, Shipper shall take any action to reduce the balance which TransColorado can accommodate and Shipper shall be granted additional time to eliminate its PALS RO balance corresponding to the time TransColorado was unable to accept the PALS RO nomination. Shipper shall not incur any penalty or daily fees as to that portion of the balance resulting from TransColorado's inability to accept the PALS RO nomination. Such extension shall only apply in instances where a Shipper's inability to eliminate the PALS RO balance is attributable to TransColorado's inability to accept and confirm PALS RO nominations. Shipper remains responsible to nominate the appropriate level of transportation to meet TransColorado's notification requirements.

9. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Effective Date: 11/01/2001 Status: Effective

FERC Docket: RP02- 5-000

Original Sheet No. 131 Original Sheet No. 131 : Superseded

Reserved Sheet

Sheet Nos. 131 through 199 have been reserved for future use.

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Seventh Revised Sheet No. 200 Seventh Revised Sheet No. 200 : Superseded
Superseding: Sixth Revised Sheet No. 200

GENERAL TERMS AND CONDITIONS

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Effective Date: 12/01/2001 Status: Effective
FERC Docket: RP01-419-000

Fourth Revised Sheet No. 201 Fourth Revised Sheet No. 201 : Superseded
Superseding: Third Revised Sheet No. 201

GENERAL TERMS AND CONDITIONS

These General Terms and Conditions apply to the transportation service provided under Rate Schedules FT and IT of TransColorado's FERC Gas Tariff, Original Volume No. 1.

1. DEFINITIONS

1.1 The term "Acquiring Shipper" shall mean any Shipper that acquires firm released capacity from a releasing Shipper. For purposes of Section 6 of these General Terms and Conditions, the term "Replacement Shipper" is used rather than "Acquiring Shipper."

1.2 The term "authorized overrun" shall mean that quantity of gas authorized by TransColorado in excess of the CD or Daily Quantity specified in the applicable firm Transportation Service Agreement.

1.3 The term "bidding period" shall mean that period of time that released or uncommitted firm capacity is posted on the Interactive Website during which Shippers may bid for capacity.

1.4 The term "Bidding Shipper" shall mean any Shipper that is qualified to bid for capacity through the Interactive Website.

1.5 The term "Btu" shall mean one British thermal unit, which is the amount of heat required to raise the temperature of one pound of water one degree from fifty-nine degrees (59°F) to sixty degrees Fahrenheit (60°F) at a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia). Total Btu's shall be determined by multiplying the total volume of natural gas delivered times the gas heating value expressed in Btu's per cubic foot of gas adjusted on a dry basis.

1.6 The term "business day" is defined as Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.

1.7 The term "confirmed quantity" shall mean a quantity that has been nominated by a Shipper and confirmed by an Operator.

1.8 The term "contract demand" ("CD") shall mean the quantity of gas set forth from time to time in the Transportation Service Agreement under Rate Schedule FT.

1.9 The term "cubic foot" shall mean the volume of gas which would occupy a space of one cubic foot at a temperature of 60° Fahrenheit and at a pressure of 14.73 pounds per square inch absolute.

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FERC Docket: RP02-328-000

Fourth Revised Sheet No. 202 Fourth Revised Sheet No. 202 : Superseded
Superseding: Third Revised Sheet No. 202

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS (Continued)

1.10 The term "day" shall mean a period of 24 consecutive hours, except for those days that are adjusted for Daylight Savings Time beginning at 9:00 a.m. Central Clock Time ("CCT"). "Clock Time" indicates that TransColorado will adjust its gas day to reflect changes for Daylight Savings Time.

1.11 The term "daily quantity" shall mean the quantity of gas set forth from time to time in the Transportation Service Agreement under Rate Schedule IT.

1.12 The term "decatherm" ("dth") shall mean a unit of heating value equivalent to 10 therms or 1,000,000 Btu's.

1.13 The term "FERC" or "Commission" shall mean the Federal Energy Regulatory Commission or any federal commission, agency or other governmental body or bodies succeeding to, lawfully exercising or superseding any powers that are exercisable by the Federal Energy Regulatory Commission.

1.14 The term "fuel" shall mean gas used for compressor station fuel and other utility purposes, including, but not limited to, line losses and other unaccounted-for gas (including gas lost through explosion, fire or other calamity) in the operation of TransColorado's pipeline system.

1.15 The term "NAESB Standards" shall mean business practices and electronic communication practices promulgated by the North American Energy Standards Board ("NAESB") and adopted and codified by the Commission in Section 284.12 of the Commission's Regulations. The NAESB Standards listed below are hereby incorporated into this tariff by reference:

Effective Date: 10/01/2002 Status: Effective
FERC Docket: RP02-460-000

Ninth Revised Sheet No. 203 Ninth Revised Sheet No. 203 : Superseded
Superseding: Sub. Eighth Revised Sheet No. 203

GENERAL TERMS AND CONDITIONS

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FERC Docket: RP02-328-000

Third Revised Sheet No. 203A Third Revised Sheet No. 203A : Superseded

Superseding: Second Revised Sheet No. 203A

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS (Continued)

1.16 The term "gross heating value" shall mean the quantity of heat, measured in Btu, produced by combustion in air of one (1) cubic foot of anhydrous gas at a temperature of sixty degrees Fahrenheit (60°F) and a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia), the air being at the same temperature and pressure as the gas, after the products of combustion are cooled to the initial temperature of the gas and air, and after condensation of the water formed by combustion.

1.17 The term "Interactive Website" shall mean the interactive internet web site maintained by TransColorado for communication regarding its transportation service in accordance with applicable Commission Regulations and NAESB standards, as more fully described in Section 2 of these General Terms and Conditions.

1.18 The term "Mcf" shall mean 1,000 cubic feet of gas. "MMcf" means 1,000,000 cubic feet of gas.

1.19 The term "Month" shall mean the period beginning on the first day of any calendar month and ending at the first day of the succeeding calendar month.

1.20 The term "Operator" shall mean the person or entity that controls the flow of gas into or out of TransColorado's System.

1.21 The term "overrun gas" shall mean those quantities of gas tendered for transportation by Shipper on any day in excess of the currently effective contract demand or daily quantity.

1.22 The term "Pre-Arranged Shipper" shall mean any Shipper who is qualified and seeks to acquire capacity under a pre-arranged release.

1.23 The terms "primary receipt and delivery point" shall mean a receipt or delivery point on TransColorado's system located within the path of service for which the Shipper is paying and has contracted for firm capacity.

1.24 The term "recallable capacity" shall mean firm capacity that is released subject to the Releasing Shipper's right to recall capacity during the term of the release.

1.25 The term "Releasing Shipper" shall mean any Shipper holding firm capacity rights under a Transportation Service Agreement under Rate Schedule FT that releases firm capacity.

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FERC Docket: RP02-460-000

Seventh Revised Sheet No. 203.01 Seventh Revised Sheet No. 203.01 : Superseded
Superseding: Sixth Revised Sheet No. 203.01

GENERAL TERMS AND CONDITIONS

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4.1.22, Ver.1.5		

1/With respect to Standards 2.4.11, 2.4.12 to 2.4.16, TransColorado supports the functions and procedures described therein, but on a manual rather than an automated basis.

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FERC Docket: RP02-460-000

First Revised Sheet No. 203.02 First Revised Sheet No. 203.02 : Superseded
Superseding: Original Sheet No. 203.02

GENERAL TERMS AND CONDITIONS

4.3.58, Ver.1.5	5.3.18, Ver.1.5
4.3.59, Ver.1.5	5.3.19, Ver.1.5
4.3.60, Ver.1.5	5.3.20, Ver.1.5
4.3.61, Ver.1.5	5.3.21, Ver.1.5
4.3.62, Ver.1.5	5.3.23, Ver.1.5
4.3.63, Ver.1.5	5.3.24, Ver.1.5
4.3.64, Ver.1.5	5.3.25, Ver.1.5
4.3.65, Ver.1.5	5.3.26, Ver.1.5
4.3.66, Ver.1.5	5.3.27, Ver.1.5
4.3.67, Ver.1.5	5.3.28, Ver.1.5
4.3.68, Ver.1.5	5.3.29, Ver.1.5
4.3.69, Ver.1.5	5.3.30, Ver.1.5
4.3.70, Ver.1.5	5.3.31, Ver.1.5
4.3.71, Ver.1.5	5.3.32, Ver.1.5
4.3.72, Ver.1.5	5.3.33, Ver.1.5
4.3.73, Ver.1.5	5.3.34, Ver.1.5
4.3.74, Ver.1.5	5.3.35, Ver.1.5
4.3.75, Ver.1.5	5.3.36, Ver.1.5
4.3.76, Ver.1.5	5.3.37, Ver.1.5
4.3.78, Ver.1.5	5.3.38, Ver.1.5
4.3.79, Ver.1.5	5.3.39, Ver.1.5
4.3.80, Ver.1.5	5.3.40, Ver.1.5
4.3.81, Ver.1.5	5.3.41, Ver.1.5
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4.3.83, Ver.1.5	5.3.43, Ver. 1.5
4.3.84, Ver.1.5	5.4.1, Ver.1.5
4.3.85, Ver. 1.5	5.4.2, Ver.1.5
4.3.86, Ver. 1.5	5.4.3, Ver.1.5
4.3.87, Ver. 1.5	5.4.4, Ver.1.5
5.2.1, Ver.1.5	5.4.5, Ver.1.5
5.2.2, Ver.1.5	5.4.6, Ver.1.5
5.3.1, Ver.1.5	5.4.7, Ver.1.5
5.3.2, Ver. 1.5	5.4.8, Ver.1.5
(for non-biddable releases)	5.4.9, Ver.1.5
5.3.4, Ver.1.5	5.4.10, Ver.1.5
5.3.7, Ver.1.5	5.4.11, Ver.1.5
(except the first sentence)	5.4.12, Ver.1.5
5.3.9, Ver.1.5	5.4.13, Ver.1.5
5.3.10, Ver.1.5	5.4.14, Ver.1.5
5.3.11, Ver.1.5	5.4.15, Ver.1.5
5.3.12, Ver.1.5	5.4.16, Ver.1.5
5.3.13, Ver.1.5	5.4.17, Ver.1.5
5.3.14, Ver.1.5	5.4.18, Ver.1.5
5.3.15, Ver.1.5	5.4.19, Ver.1.5
5.3.17, Ver.1.5	6.3.3, Ver.1.5
	6.5.1, Ver.1.5
	6.5.2, Ver.1.5

Effective Date: 12/01/2001 Status: Effective

FERC Docket: RP01-419-000

Third Revised Sheet No. 204 Third Revised Sheet No. 204 : Superseded

Superseding: Second Revised Sheet No. 204

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS (Continued)

1.26 The term "Shipper" shall mean any party who (a) is receiving service according to an effective rate schedule under this Tariff 1, (b) has executed a service agreement under any rate schedule, or (c) has completed a request for service.

1.27 The term "System" shall mean the pipeline, appurtenant facilities and any compression and related facilities owned by TransColorado.

1.28 The term "unauthorized overrun" shall mean that quantity of gas by which Shipper exceeds, without TransColorado's consent, Shipper's confirmed quantity.

1.29 The term "year" shall mean a period of 365 consecutive days beginning January 1 or 366 consecutive days if such period includes February 29, unless otherwise specified.

Effective Date: 07/01/2002 Status: Effective

FERC Docket: RP02-328-000

Seventh Revised Sheet No. 205 Seventh Revised Sheet No. 205 : Superseded
Superseding: Sixth Revised Sheet No. 205

GENERAL TERMS AND CONDITIONS

2. INTERACTIVE WEBSITE

2.1 Web site Description

(a) TransColorado maintains the Interactive Website, a FERC-compliant interactive internet web site that is available for use by Shippers and other interested parties. The web site has both secure and non-secure regions. Information of a general nature is included in the non-secure region while confidential Shipper-specific data is accessible only through the secure region, which requires a logon and password. Daily back-up records of information displayed or entered through this web site are archived and non-secure information is accessible to customers on a non-discriminatory basis. The data is kept for a three-year period, inclusive of both current and archived data.

(b) The non-secure information is primarily comprised of FERC-mandated informational postings. TransColorado, at its sole option, may add informational sections to this web site in order to facilitate timely and complete communications with customers. The secure region provides access to Nominations, Flowing Gas/Volume Inquiry data, Invoicing, Contracting and Capacity Release processing. Logons and passwords required to enter the secure region of the web site may be obtained per the procedures outlined in Section 2.2.

(i) Informational Postings. The types of information available through the Informational Postings include: (1) reports on operationally available capacity, unsubscribed capacity, and released capacity at receipt/delivery points and on the main line; (2) information on construction and maintenance projects impacting capacity; (3) imbalance volumes available for trading among Shippers; (4) firm and interruptible rates and fuel reimbursement, including general discount offers; (5) catalog of currently active receipt and delivery points; (6) general announcements, critical notices and procedures, including Operational Flow Orders (OFO); and (7) the Tariff with search, download and print capabilities.

1/TransColorado will also support further notification of critical notices and OFOs through the following channels, to be designated by shipper; (1) up to two internet e-mail addresses provided by shipper or (2) standard NAESB EDI/EDM.

Effective Date: 06/01/2000 Status: Effective

FERC Docket: RP00-294-000

Fourth Revised Sheet No. 206 Fourth Revised Sheet No. 206 : Superseded
Superseding: Third Revised Sheet No. 206

GENERAL TERMS AND CONDITIONS

2. DIRECT ACCESS REQUEST AND TRACKING SYSTEM (DART) (Continued)

(ii) Nominations. This feature allows for submittal of all transportation nominations, transfer nominations, predetermined allocations and nomination priorities as required in Section 8. Additionally, operators can confirm volumes online. Shippers and point operators can review, print or download scheduled quantity reports.

(iii) Flowing Gas/Volume Inquiry. This feature provides volumetric information on total gas flow and allocated flows, at a point and contract level. The timing for reporting daily operational allocations after the gas has flowed is within one (1) business day after the end of the gas day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity should be used for the daily operational allocation. Each Shipper and each other entity involved in a transaction at a point will be able to see the total flows at the point and the volumes allocated to or by such Shipper or other entity.

(iv) Invoicing. This system component allows Shippers to view and download invoices and a statement of account. Additionally, using this component, Shippers can create and submit a Payment Remittance.

(v) Contract Request Processing. Using this feature, Shippers can review their existing Agreement information, submit new requests for Agreements and submit requests to amend Agreements and execute Service Agreements online.

(vi) Capacity Release Request and Bid Processing. This interactive feature allows Shippers to submit capacity-release requests and bids, which, in turn, are automatically posted to DART as provided in Section 6. Additionally, Shipper with recall provisions in a release of capacity can initiate the recall process using this feature.

(vii) Discount Request Processing. Using this feature, Shippers can submit point or path level requests for discounts. Once approved by TransColorado, such requests can be viewed by cutomers through this component of DART.

(viii) Regulatory Reporting. This system component contains the information required in FERC Form No. 592 for all requests for service made by affiliated marketers or in which an affiliated marketer is involved for transportation or storage, that would be conducted pursuant to Subparts B or G of Part 284 of the Commission's Regulations. The Regulatory Reporting System also contains any other related information required under the Commission's Regulations, relative to required informational postings.

Effective Date: 12/01/2001 Status: Suspended
FERC Docket: RP01-419-000

Fifth Revised Sheet No. 206 Fifth Revised Sheet No. 206 : Suspended
Superseding: Fourth Revised Sheet No. 206

GENERAL TERMS AND CONDITIONS

2. INTERACTIVE WEBSITE (Continued)

(ii) Nominations. This feature allows for submittal of all transportation nominations, transfer nominations, predetermined allocations and nomination priorities as required in Section 8. Additionally, operators can confirm volumes online. Shippers and point operators can review, print or download scheduled quantity reports.

(iii) Flowing Gas/Volume Inquiry. This feature provides volumetric information on total gas flow and allocated flows, at a point and contract level. The timing for reporting daily operational allocations after the gas has flowed is within one (1) business day after the end of the gas day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity should be used for the daily operational allocation. Each Shipper and each other entity involved in a transaction at a point will be able to see the total flows at the point and the volumes allocated to or by such Shipper or other entity.

(iv) Invoicing. This system component allows Shippers to view and download invoices and a statement of account. Additionally, using this component, Shippers can create and submit a Payment Remittance.

(v) Contract Request Processing. Using this feature, Shippers can review their existing Agreement information, submit new requests for Agreements and submit requests to amend Agreements and execute Service Agreements online.

(vi) Capacity Release Request and Bid Processing. This interactive feature allows Shippers to submit capacity-release requests and bids, which, in turn, are automatically posted to this web site as provided in Section 6. Additionally, Shipper with recall provisions in a release of capacity can initiate the recall process using this feature.

Effective Date: 12/01/2001 Status: Effective
FERC Docket: RP01-419-000

Third Revised Sheet No. 206A Third Revised Sheet No. 206A : Superseded
Superseding: Second Revised Sheet No. 206A

GENERAL TERMS AND CONDITIONS

2. INTERACTIVE WEBSITE (Continued)

2.2 Access to Web Site. Shippers and other interested parties may obtain access to the interactive transactional web pages by contacting a representative of TransColorado in Houston (800) 258-3278. Logons, passwords and access instructions will be supplied upon request under the following terms and conditions set forth in Sections 2.3 through 2.13. The internet address for this web site is:
<http://pipeline.kindermorgan.com>. This web site replaces DART and Subscribers to DART can continue to use their DART logon and password to access these web pages. By continuing to use such DART logons, Subscribers agree to the terms and conditions set forth in Sections 2.2 through 2.12.

2.3 Authority of employee. Users of this web site shall be deemed to have agreed and admitted that any employee permitted by Subscriber to access this web site shall have the legal authority to act on behalf of Subscriber in performing any functions, including those functions which are available presently and those functions which become available at a later date.

2.4 Installation of software. Each Subscriber shall purchase and ensure that lawful installation of the internet browser software occurs for each personal computer (PC) from which this web site is accessed.

2.5 Confidentiality. Certain information contained in this web site is confidential. A Subscriber shall not reproduce, disclose or otherwise make available confidential information contained therein to any other company, corporation, individual or partnership.

2.6 Reliance by TransColorado. TransColorado may act, and shall be fully protected by a Subscriber in acting, in reliance upon any acts or things done or performed by Subscriber's employees or designated agents on behalf of Subscriber and in respect to all matters conducted through this web site. TransColorado may correct errors in information entered into this web site by a Subscriber promptly after receiving notice of the corrections or may require Subscribers to enter the corrections directly into this web site.

GENERAL TERMS AND CONDITIONS

2. INTERACTIVE WEBSITE (Continued)

2.7 Access. Should a Subscriber require access to confidential information (such as Agreement, points, nomination, volume, or other customer-specific information deemed to be of a confidential nature requiring controlled access), TransColorado will require the Subscriber to provide a written request and officer-level approval for issuance of a company-level computer access (logon) identification code and password. Upon receipt of such request, TransColorado will ensure return of a confidential logon code and password within one business day.

2.8 Logon. A Subscriber's logon and password are confidential and are used to identify that Subscriber. A Subscriber shall keep its DART logon and password confidential. A Subscriber will ensure that only authorized employees and agents of Subscriber will be given Subscriber's logon and password and only these authorized persons will be permitted to access this web site on Subscriber's behalf. A Subscriber and its employees and agents will not disclose the Subscriber's logon and password to anyone without authority to access this web site on behalf of the Subscriber. To ensure such confidentiality is not breached, requests from Subscriber employees or agents for information regarding Subscriber logon and password made subsequent to issuance of the original logon and password may not be honored without receipt by TransColorado of additional authorization from Subscriber. Subscriber shall be responsible for an accepts liability for any security breach that is traced to Subscriber's logon and password.

2.9 Breach of Security. A Subscriber shall promptly notify TransColorado if there is any indication that a security breach has occurred with regard to Subscriber's logon and password. This includes, but is not limited to: (a) loss of confidentiality of logon and password; (b) termination of employment of any authorized employee; or (c) loss of authority to access this web site by any authorized employee. Such notification shall be made to TransColorado's representative in Houston (800) 258-3278.

2.10 Limitation to Access. A Subscriber may attempt to access only that data for which Subscriber has authorization. A Subscriber shall provide supporting legal documentation prior to being given access to data of other subsidiaries, affiliates, or companies for whom it has an agency relationship. See Section 8 of these General Terms and Conditions for information on delegation.

Effective Date: 12/01/2001 Status: Effective
FERC Docket: RP01-419-000

Second Revised Sheet No. 206C Second Revised Sheet No. 206C : Superseded
Superseding: First Revised Sheet No. 206C

GENERAL TERMS AND CONDITIONS

2. INTERACTIVE WEBSITE (Continued)

2.11 Limits of Responsibility. TransColorado shall not be responsible for an omission or failure by TransColorado to act or perform any duty requested by a function accessed via this web site if such omission or failure to act is caused by or related to data lost in the transmission of such data from Subscriber's to TransColorado's computer system, power failures, failure of backup systems, or any other event beyond the reasonable control of TransColorado.

2.12 Reservation. TransColorado reserves the right to add, modify or terminate web site functions at any time subject to compliance with Commission Regulations.

2.13 Agreement. Any Subscriber who is not a Shipper will be required to sign an agreement with TransColorado pursuant to which the Subscriber agrees to be bound by the provisions of this Section.

Effective Date: 12/01/2001 Status: Effective

FERC Docket: RP01-419-000

Third Revised Sheet No. 207 Third Revised Sheet No. 207 : Superseded
Superseding: Second Revised Sheet No. 207

GENERAL TERMS AND CONDITIONS

3. CONTRACT PROCEDURES

3.1 Procedures. Generally, all requests or bids for service, contracting for service, changes to a Shipper's service agreement, releasing capacity and bidding on released capacity must be made through the Interactive Website. Pre-arranged releases pursuant to Section 6 of these General Terms and Conditions of this Tariff must also be contracted for on the Interactive Website.

3.2 Form of the Agreement. Generally, unless requested by Shipper, no written contract or documents will be issued by TransColorado. The terms and conditions of this Tariff together with the terms of Shipper's service agreement documented on the completed service agreement on the Interactive Website will constitute the terms of the Transportation Service Agreement between TransColorado and the Shipper.

3.3 Signature Code. TransColorado and Shipper will indicate acceptance of a contract by electronically executing the agreement by use of an electronic signature code. The use of a party's signature code on any Interactive Website transaction screen will be deemed to be the party's consent to be bound by the transaction unless the party's bid is withdrawn. To implement electronically, an Electronic Execution Agreement must be executed with TransColorado. Contact the Interactive Website help line at (800) 258-3278 to obtain an Electronic Execution Agreement.

3.4 Acquiring Transportation Service.

(a) After complying with the requirements of Sections 2 and 18 of these General Terms and Conditions of this Tariff, a Shipper may bid for firm service or request interruptible service on TransColorado's system through the Interactive Website or in writing.

(b) After receiving a request for interruptible service, TransColorado will evaluate Shipper's service request and respond to Shipper within five business days. Once the request has been evaluated and approved, TransColorado will issue a completed service agreement containing the terms of the service that TransColorado will provide.

(c) A Shipper bidding for uncommitted firm capacity from TransColorado must follow the procedures of Section 5 of these General Terms and Conditions.

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FERC Docket: RP01-419-000

Third Revised Sheet No. 208 Third Revised Sheet No. 208 : Superseded

Superseding: Second Revised Sheet No. 208

GENERAL TERMS AND CONDITIONS

3. CONTRACT PROCEDURES (Continued)

3.5 Changes to Shipper's Transportation Service. If Shipper desires to change its transportation service, it must complete a service amendment form on the Interactive Website or in writing. TransColorado will evaluate the Shipper's request.

(a) If TransColorado agrees to the request and the request changes the term of a firm Transportation Service Agreement, the Shipper must go through the bidding process described in Section 5 of the General Terms and Conditions.

(b) If TransColorado agrees to the requested amendment and no bidding is required under Section 5, TransColorado will place a completed service amendment form on the Interactive Website or submit a completed service request form in writing. The completed form will be notice to the Shipper that the change in service has been made.

3.6 The laws of the State of Colorado shall govern the validity, construction, interpretation and effect of Agreements entered into between TransColorado and Shipper.

3.7 If Section 311, 18 C.F.R. Part 284, Subpart B transportation service is requested, the Shipper must provide the following information to TransColorado:

(a) a declaration explaining how the requested service qualifies as Section 311 service;

(b) the name of the local distribution company or intrastate pipeline company on whose behalf the gas will be transported; and

(c) certification from a local distribution company or an intrastate pipeline that the service is being provided on its behalf prior to commencing transportation service.

Effective Date: 12/01/2001 Status: Effective

FERC Docket: RP01-419-000

Third Revised Sheet No. 209 Third Revised Sheet No. 209 : Superseded

Superseding: Second Revised Sheet No. 209

GENERAL TERMS AND CONDITIONS

4. REQUEST FOR INTERRUPTIBLE TRANSPORTATION SERVICE

4.1 Notice of Available Interruptible Capacity. TransColorado will post the availability of capacity on a continuous basis, pursuant to Section 284.9(b)(3) of the Commission's Regulations.

4.2 Request for Service. If a Shipper desires service under Rate Schedule IT, it must request the service through the Interactive Website or in writing and provide the following information:

(a) The full legal name, business address and phone number, and state of incorporation of the Shipper requesting service and the party with whom all contact should be made.

(b) A designation of whether Shipper is a local distribution company, intrastate pipeline company, interstate pipeline company, producer, end-user or marketer.

(c) The extent of Shipper's affiliation with TransColorado.

(d) Shipper's Dun and Bradstreet number.

(e) The initial term of the service, including beginning and ending dates.

(f) Daily quantity _____ Dth/day.

(g) Receipt and delivery points requested.

(h) The usage charge that Shipper proposes to pay for the requested service:

Maximum Rate	Other
_____	_____

4.3 Information Update. Any change in the facts or information provided by Shipper in its request for service, whether before or after service begins, must be promptly communicated to TransColorado.

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Fourth Revised Sheet No. 210 Fourth Revised Sheet No. 210 : Superseded
Superseding: Third Revised Sheet No. 210

GENERAL TERMS AND CONDITIONS

5. BIDDING FOR FIRM TRANSPORTATION SERVICE

5.1 Notice of Available Firm Capacity. TransColorado will post the availability of capacity on a continuous basis, pursuant to Sections 284.8(b)(3) of the Commission's Regulations on the Informational Postings portion of its Interactive Website.

5.2 Qualifications for Bidding. Any party wishing to become a Bidding Shipper must comply with the requirements of Sections 2 and 18 of the General Terms and Conditions prior to submitting a bid for capacity.

5.3 Bidding for Firm Capacity. A Shipper desiring to obtain firm capacity from TransColorado must submit a bid (by prearrangement or by bidding on an offer posted for competitive bidding) for the service through the Interactive Website or in writing according to the procedures outlined in this section. Bidders are free to offer any price, designate any term, and request any available receipt and/or delivery points. The open season, matching periods, and bidding information shall be included in the posted offer.

5.4 Awarding of Capacity. TransColorado's capacity shall be awarded using the evaluation methods provided in Section 6.

5.5 Requests for Discounts. TransColorado is not obligated to accept any bid that is less than the maximum rate stated on the Statement of Rates except as set forth in 9.7 of the General Terms and Conditions.

5.6 Notice of Completed Transactions shall be posted on the Informational Postings portion of its Interactive Website.

5.7 Notice of Prearranged Capacity. TransColorado may pre-arrange with any party for the sale of its uncommitted firm capacity. TransColorado will post the pre-arranged transaction on the Interactive Website unless the transaction qualifies under the posting exception provisions of Section 6. The pre-arranged party must confirm its bid for the capacity in writing. Otherwise the bid will be considered void and the capacity will not be awarded to the pre-arranged party.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 211 First Revised Sheet No. 211 : Superseded
Superseding: Original Sheet No. 211

GENERAL TERMS AND CONDITIONS

5. BIDDING FOR FIRM TRANSPORTATION SERVICE (Continued)

Other parties' competing bids for the capacity pre-arranged by TransColorado shall be evaluated according to Section 6. If no higher offer is received during the bid period, the pre-arranged party shall receive the capacity. If a higher offer is received, the pre-arranged party will be permitted to match the offer and receive the capacity from TransColorado pursuant to the applicable provisions of Section 6. If the pre-arranged party does not elect to match the highest offer, the shipper making the highest offer will be awarded the capacity.

Sixth Revised Sheet No. 212 Sixth Revised Sheet No. 212 : Superseded
Superseding: Fifth Revised Sheet No. 212

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS

6.1 GENERAL

(a) Subject to the terms, conditions and limitations set forth in this Section 6, a Shipper holding capacity rights under an Eligible Firm Transportation Agreement shall have the right to release all or a portion of such capacity rights and, if a capacity release is effectuated under this Section 6, to receive a credit for reservation charge revenues received by TransColorado from that other Shipper for such released capacity.

(b) The deadlines set forth in this Section 6 are applicable to all parties involved in the capacity release process; however, they are only applicable if all information provided by the parties to the transaction is valid and the Replacement Shipper (or Subreplacement Shipper, if applicable) has been determined to be creditworthy before the Qualified Bid is tendered, and there are no special terms or conditions of the release.

(c) Following is a summary of the capacity release process and deadlines set forth in greater detail in the remainder of this Section 6:

(i) For short-term releases (less than five months):

(1) The Capacity Release Request should be tendered by no later than 1:00 p.m. CCT on the business day before nominations are to be submitted under the resulting release;

(2) The open season ends no later than 2:00 p.m. CCT on the Business Day before nominations are due (evaluation period begins at 2:00 p.m. CCT during which contingency is eliminated, determination of winning Qualified Bid(s) is made, and ties are broken);

(3) Evaluation period ends at 3:15 p.m. CCT;

(4) Match or award is communicated by 3:15 p.m. CCT;

(5) Match response by 4:00 p.m. CCT;

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FERC Docket: RP00-459-002

Sixth Revised Sheet No. 213 Sixth Revised Sheet No. 213 : Superseded
Superseding: Fifth Revised Sheet No. 213

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(6) Award posting and issuance of a contract by
5:00 p.m. CCT;

(7) Posting of pre-arranged deals not subject to
bid two (2) hours prior to the nomination cycle deadline on any business
day.

(8) Released Firm Transportation Agreement
tendered with contract number one (1) hour after award or, in the case of
a pre-arranged deal, one (1) hour after notification; contract executed;
nomination possible for next day or, in the case of a pre-arranged deal,
for the next nomination cycle.

(ii) For longer term releases (five months or more):

(1) The Capacity Release Request should be
tendered by no later than 1:00 p.m. CCT three (3) business days before the
award for long-term releases;

(2) The open season ends no later than 2:00 p.m.
CCT on the Business Day before nominations are due (open season is three
business days);

(3) Evaluation period begins at 2:00 p.m. CCT
during which contingency is eliminated, determination of best bid is made,
and ties are broken;

(4) Evaluation period ends at 3:15 p.m. CCT;

(5) Match or award is communicated by 3:15 p.m.
CCT; Match response by 4:00 p.m. CCT;

(6) Award posting and issuance of a contract by
5:00 p.m. CCT;

(7) Posting of pre-arranged deals not subject to
bid two (2) hours prior to a nomination deadline on any business day;

(8) Released Firm Transportation Agreement
tendered with contract number one (1) hour after award or, in the case of
a pre-arranged deal, one (1) hour after release notification contract
executed; nomination possible for next Day gas flow or, in the case of a
pre-arranged deal, for the next nomination cycle.

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.2 DEFINITIONS

(a) Bid Value. The value assigned to a Qualified Bid or a Prearranged Release according to the bid evaluation procedures set forth in Section 6.10 or, if applicable, the bid evaluation procedures set forth in the Capacity Release Request.

(b) Capacity Release Request. The request that a Releasing Shipper submits to initiate the capacity release procedure under this Section 6.

(c) Eligible Firm Transportation Agreement. A transportation agreement under Rate Schedule FT.

(d) Maximum Bid Volume. The maximum amount of capacity the Qualified Bidder agreed to accept in its Qualified Bid.

(e) Minimum Bid Volume. The minimum amount of capacity the Qualified Bidder agreed to accept in its Qualified Bid.

(f) Original Shipper. The entity who is the Shipper under an Eligible Firm Transportation Agreement (other than through a capacity release).

(g) Prearranged Release. The binding written release agreement between a Releasing Shipper and a Prearranged Shipper covering Eligible Firm Transportation Agreement capacity rights, the effectiveness of which is subject only to: (i) the prequalification of the Prearranged Shipper under Section 6.15; and (ii) the release of such capacity rights to the Prearranged Shipper as provided by this Section 6.

(h) Prearranged Shipper. A person or entity prequalified under Section 6.15 who has entered into a Prearranged Release with a Releasing Shipper for Eligible Firm Transportation Agreement capacity rights.

(i) Qualified Bid. A binding bid prequalified under Section 6.15 by a Qualified Bidder for capacity rights subject to a Capacity Release Request under this Section 6.

(j) Qualified Bidder. Any person or entity prequalified under Section 6.15 who bids for capacity rights being released under this Section 6.

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FERC Docket: RP01-419-000

Fourth Revised Sheet No. 215 Fourth Revised Sheet No. 215 : Superseded
Superseding: Third Revised Sheet No. 215

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(k) Released Firm Transportation Agreement. The agreement between TransColorado and a Replacement Shipper or a Subreplacement Shipper by which the Replacement Shipper or Subreplacement Shipper confirms the receipt of capacity rights under an Eligible Firm Transportation Agreement released by a Releasing Shipper under this Section 6.

(l) Releasing Shipper. Any Shipper holding capacity rights under an Eligible Firm Transportation Agreement or Released Firm Transportation Agreement who has released or seeks to release such capacity rights pursuant to this Section 6.

(m) Replacement Shipper. A Shipper receiving capacity rights under an Eligible Firm Transportation Agreement pursuant to a direct release from an Original Shipper under this Section 6.

(n) Short-Term Prearranged Release. Prearranged Release with a term of thirty-one (31) days or less that is not for the maximum reservation charge.

(o) Subreplacement Shipper. A Shipper receiving capacity rights released from an Eligible Firm Transportation Agreement by a Replacement Shipper or a Subreplacement Shipper under this Section 6.

(p) Unit Bid Value. The unit value per Dth assigned to a Qualified Bid or a Prearranged Release according to the bid evaluation procedures set forth in Section 6.10.

(q) Winning Bid Value. The highest possible total Bid Value achievable under Section 6.10 for the Capacity Release Request from the Qualified Bids consistent with the Capacity Release Request and this Section 6.

6.3 Release Without a Prearranged Shipper. A Shipper seeking to release its Eligible Firm Transportation Agreement capacity rights without a Prearranged Shipper shall deliver a Capacity Release Request to TransColorado's Interactive Website (or in writing for posting on TransColorado's Interactive Website if TransColorado's Interactive Website is unavailable for receiving Capacity Release Requests) which sets forth:

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Third Revised Sheet No. 216 Third Revised Sheet No. 216 : Superseded

Superseding: Second Revised Sheet No. 216

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(a) The Releasing Shipper's legal name, address and phone number, the Eligible Firm Transportation Agreement number, the date of the Eligible Firm Transportation Agreement and the name and title of the individual responsible for authorizing the capacity release;

(b) The quantity of the capacity (in Dth per day) and the transportation path(s) (or segment(s) thereof) being released, including identification by TransColorado's Point Identification Number (PIN) Number (or Common Code) of the Receipt Points, Delivery Points, pooling point defining the release path/segment and the firm capacity to be released at each such point;

(c) Whether the capacity being released is subject to recall and/or reput, and if so, the exact conditions for such recall and/or reput (which conditions must conform to Sections 6.5 and 6.14);

(d) The proposed effective date and proposed term of the release;

(e) Whether the Releasing Shipper wants TransColorado to actively market the Releasing Shipper's capacity rights.

(f) Whether the Releasing Shipper will accept Qualified Bids which are contingent on subsequent events (such as the subsequent purchase of upstream or downstream capacity), and if so, what events and the last date by which such contingency must be fulfilled;

(g) The starting date for the open season and the length of time for the open season (which must conform to Section 6.7);

(h) Whether the Releasing Shipper will accept Qualified Bids whose revenues will vary by the volume transported, and if so, any minimum amount to be billed as a reservation charge even if there is no flow (or insufficient flow);

(i) Which of the bid evaluation procedures set forth in Section 6.10 the Shipper wishes to use, if any;

(j) Whether the Qualified Bids are to specify dollars and cents and/or percents of maximum tariff rate; and

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Third Revised Sheet No. 217 Third Revised Sheet No. 217 : Superseded
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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(k) Any other applicable conditions (which must conform to Section 6.5), including any minimum price condition and whether the Releasing Shipper wishes to apply a bid evaluation procedure different than the bid evaluation procedure set forth in Section 6.10 for evaluating Qualified Bids for its capacity rights, and if so, all the factors to be used in evaluating Qualified Bids, including how its capacity rights are to be awarded in the event of a tie for the highest valued Qualified Bid and whether the Releasing Shipper has presubmitted a computer diskette for such bid evaluation procedure pursuant to Section 6.5(a).

6.4 Prearranged Release. Subject to Section 6.6, a Shipper seeking to release its Eligible Firm Transportation Agreement capacity rights to a Prearranged Shipper shall deliver a Capacity Release Request to TransColorado's DART system or via EDI at TransColorado's designated site for an open season. The Capacity Release Request shall set forth:

(a) The Releasing Shipper's legal name, address and phone number, the Prearranged Shipper's legal name, address, phone number, and telefax number, the Eligible Firm Transportation Agreement number, the date of the Eligible Firm Transportation Agreement and the name and title of the individuals at the Releasing Shipper and the Prearranged Shipper responsible for authorizing the capacity release;

(b) A statement that the Prearranged Shipper has agreed to be bound by a capacity award to the Prearranged Shipper under this Section 6 by TransColorado and to execute a Released Firm Transportation Agreement, which consists of TransColorado's standard form of FT Agreement and the terms and conditions of the Prearranged Release, in accordance with TransColorado's Tariff. Such statement shall also set forth:

(i) The quantity of the capacity (in Dth per day) and the transportation path(s) [or segment(s) thereof] being released, including identification by TransColorado's PIN Number (or Common Code) of the Receipt Points, Delivery Points, pooling point defining the released path/segment and the firm capacity to be released at each such point;

(ii) The fixed reservation charge and/or volumetric charge the Prearranged Shipper has agreed to pay for the released capacity;

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Fourth Revised Sheet No. 217 Fourth Revised Sheet No. 217 : Suspended
Superseding: Third Revised Sheet No. 217

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(k) Any other applicable conditions (which must conform to Section 6.5), including any minimum price condition and whether the Releasing Shipper wishes to apply a bid evaluation procedure different than the bid evaluation procedure set forth in Section 6.10 for evaluating Qualified Bids for its capacity rights, and if so, all the factors to be used in evaluating Qualified Bids, including how its capacity rights are to be awarded in the event of a tie for the highest valued Qualified Bid and whether the Releasing Shipper has presubmitted a computer diskette for such bid evaluation procedure pursuant to Section 6.5(a).

6.4 Prearranged Release. Subject to Section 6.6, a Shipper seeking to release its Eligible Firm Transportation Agreement capacity rights to a Prearranged Shipper shall deliver a Capacity Release Request to TransColorado's Interactive Website or via EDI at TransColorado's designated site for an open season. The Capacity Release Request shall set forth:

(a) The Releasing Shipper's legal name, address and phone number, the Prearranged Shipper's legal name, address, phone number, and telefax number, the Eligible Firm Transportation Agreement number, the date of the Eligible Firm Transportation Agreement and the name and title of the individuals at the Releasing Shipper and the Prearranged Shipper responsible for authorizing the capacity release;

(b) A statement that the Prearranged Shipper has agreed to be bound by a capacity award to the Prearranged Shipper under this Section 6 by TransColorado and to execute a Released Firm Transportation Agreement, which consists of TransColorado's standard form of FT Agreement and the terms and conditions of the Prearranged Release, in accordance with TransColorado's Tariff. Such statement shall also set forth:

(i) The quantity of the capacity (in Dth per day) and the transportation path(s) [or segment(s) thereof] being released, including identification by TransColorado's PIN Number (or Common Code) of the Receipt Points, Delivery Points, pooling point defining the released path/segment and the firm capacity to be released at each such point;

(ii) The fixed reservation charge and/or volumetric charge the Prearranged Shipper has agreed to pay for the released capacity;

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(iii) Whether the capacity being released is subject to recall and/or reput in the Prearranged Release and, if so, the exact conditions of such recall and/or reput (which conditions must conform with Sections 6.5 and 6.14); and

(iv) The proposed effective date of the Prearranged Release and the proposed term of the Prearranged Release.

(c) Whether the Releasing Shipper will accept Qualified Bids which are contingent on subsequent events (such as the purchase of upstream or downstream capacity), and if so, what events and the last date by which such contingency must be fulfilled;

(d) Whether the Releasing Shipper will accept Qualified Bids with longer terms or larger volumes, and if so, what is the maximum volume and the longest term the Releasing Shipper will accept;

(e) Whether the Releasing Shipper wants TransColorado to actively market its capacity rights subject to the Prearranged Release.

(f) The starting date for and the length of time for the open season (which must conform to Section 6.7) and the length of time (consistent with Section 6.9(b)) for the Prearranged Shipper to be able to match a winning Qualified Bid;

(g) Whether the Releasing Shipper will accept Qualified Bids whose revenues will vary by the volume transported, and if so, any minimum amount to be billed as a reservation charge even if there is no flow (or insufficient flow);

(h) Which of the bid evaluation procedures set forth in Section 6.10 the Shipper wishes to use, if any;

(i) Whether the Qualified Bids are to specify dollars and cents and/or percents of maximum tariff rate; and

(j) Any other applicable conditions (which must conform with Section 6.5), including any minimum price condition and whether the Releasing Shipper wishes to apply a bid evaluation procedure different than the bid evaluation procedure set forth in Section 6.10 for evaluating Qualified Bids for its capacity rights, and if so, all the factors to be used in evaluating Qualified Bids, including how its capacity rights are to be awarded in the event of a tie for the highest valued Qualified Bid and whether the Releasing Shipper has presubmitted a computer diskette for such bid evaluation procedure pursuant to Section 6.5(a).

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.5 Capacity Release Requirements.

(a) All terms and conditions relating to a release which is the subject of a Capacity Release Request: (i) must be nondiscriminatory and applicable to all potential bidders; (ii) must be made available to TransColorado for posting; (iii) must relate solely to the details of acquiring or maintaining the transportation capacity rights on TransColorado, which are the subject of the release; and (iv) must not place any obligations or burdens on TransColorado in addition to the terms and conditions applicable to a capacity release under this Section 6 which are specified in TransColorado's Tariff. Any bid evaluation procedure elected by a Releasing Shipper different from TransColorado's bid evaluation procedure set forth in Sections 6.10(b) through 6.10(d) must be objective, nondiscriminatory in all circumstances and contain a complete description of the bid evaluation procedure for posting on TransColorado's DART system. TransColorado may require the Releasing Shipper to submit a working computer program to TransColorado in diskette form which is compatible with TransColorado's DART system computer which will enable TransColorado to make such alternative bid evaluation entirely through TransColorado's DART system, prior to the time any alternative bid evaluation procedure is requested, if such bid evaluation procedure is not based on (i) highest rate; (ii) net revenue; or (iii) present value as determined in Sections 6.10(b)(i) through 6.10(b)(iv) (collectively referred to as "Acceptable Alternative Bid Evaluation Procedure") and the remaining procedures set forth in Sections 6.10(c) and 6.10(d). If the Releasing Shipper elects a bid evaluation procedure that differs from TransColorado's bid evaluation procedure or the Acceptable Alternative Bid Evaluation Procedure and the remaining procedures set forth in Sections 6.10(c) and 6.10(d), TransColorado shall not be held to the subsequent deadlines set forth in this Section 6, but TransColorado shall make a reasonable attempt to adhere to such deadlines. TransColorado shall publish standards relating to such computer diskettes, but it is the responsibility of the Releasing Shipper to develop and provide the working computer diskette. The Releasing Shipper shall warrant that the computer diskette conforms to the bid evaluation procedure in the Capacity Release Request.

(b) The term of any release of capacity sought under this Section 6 shall be at least one full day and shall not exceed the remaining term of the Eligible Firm Transportation Agreement.

(c) The quantity sought to be released under a Capacity Release Request shall not be less than the minimum quantity required for the Eligible Firm Transportation Agreement under TransColorado's Tariff.

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Superseding: Second Revised Sheet No. 219

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.5 Capacity Release Requirements.

(a) All terms and conditions relating to a release which is the subject of a Capacity Release Request: (i) must be nondiscriminatory and applicable to all potential bidders; (ii) must be made available to TransColorado for posting; (iii) must relate solely to the details of acquiring or maintaining the transportation capacity rights on TransColorado, which are the subject of the release; and (iv) must not place any obligations or burdens on TransColorado in addition to the terms and conditions applicable to a capacity release under this Section 6 which are specified in TransColorado's Tariff. Any bid evaluation procedure elected by a Releasing Shipper different from TransColorado's bid evaluation procedure set forth in Sections 6.10(b) through 6.10(d) must be objective, nondiscriminatory in all circumstances and contain a complete description of the bid evaluation procedure for posting on TransColorado's Interactive Website. TransColorado may require the Releasing Shipper to submit a working computer program to TransColorado in diskette form which is compatible with TransColorado's Interactive Website which will enable TransColorado to make such alternative bid evaluation entirely through TransColorado's Interactive Website, prior to the time any alternative bid evaluation procedure is requested, if such bid evaluation procedure is not based on (i) highest rate; (ii) net revenue; or (iii) present value as determined in Sections 6.10(b)(i) through 6.10(b)(iv) (collectively referred to as "Acceptable Alternative Bid Evaluation Procedure") and the remaining procedures set forth in Sections 6.10(c) and 6.10(d). If the Releasing Shipper elects a bid evaluation procedure that differs from TransColorado's bid evaluation procedure or the Acceptable Alternative Bid Evaluation Procedure and the remaining procedures set forth in Sections 6.10(c) and 6.10(d), TransColorado shall not be held to the subsequent deadlines set forth in this Section 6, but TransColorado shall make a reasonable attempt to adhere to such deadlines. TransColorado shall publish standards relating to such computer diskettes, but it is the responsibility of the Releasing Shipper to develop and provide the working computer diskette. The Releasing Shipper shall warrant that the computer diskette conforms to the bid evaluation procedure in the Capacity Release Request.

(b) The term of any release of capacity sought under this Section 6 shall be at least one full day and shall not exceed the remaining term of the Eligible Firm Transportation Agreement.

(c) The quantity sought to be released under a Capacity Release Request shall not be less than the minimum quantity required for the Eligible Firm Transportation Agreement under TransColorado's Tariff.

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(d) No capacity release under this Section 6 shall result in an increase in the total capacity set forth in the Eligible Firm Transportation Agreement with the Original Shipper for any segment of a path covered by such Eligible Firm Transportation Agreement.

(e) A Capacity Release Request may include the right by a Releasing Shipper to recall all or part of the capacity, and/or to reput all or part of the recalled capacity, at any time and from time to time. All recalls or reputs must be made in accordance with the other provisions of TransColorado's Tariff, including Section 6.14 of these General Terms and Conditions.

(f) The Releasing Shipper may withdraw its posted Capacity Release Request during an open season under this Section 6 where unanticipated circumstances justify and no minimum bid has been received; following the close of the open season, a Releasing Shipper may not reject a winning Qualified Bid.

Offer should be binding until written or electronic notice of withdrawal is received by TransColorado.

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Second Revised Sheet No. 221 Second Revised Sheet No. 221 : Superseded
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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

Notice of a withdrawal of a Capacity Release Request must be delivered to TransColorado's DART system or via EDI no later than the end of the open season for the Capacity Release Request.

(g) A Replacement Shipper or Subreplacement Shipper may release the capacity under the provisions of this Section 6 (except as prohibited by Federal Energy Regulatory Commission Regulations).

(h) Any Capacity Release Request not in compliance with this Section 6.5 and the other provisions of TransColorado's Tariff shall be null and void and, even if posted, may be removed from TransColorado's DART system by TransColorado at any time.

6.6 Open Season Exceptions. An open season is not required for: (a) a Prearranged Release for the maximum reservation charge applicable to the capacity being released; or (b) a Short-term Prearranged Release. A Capacity Release Request which is not subject to an open season need only contain the information required in Sections 6.4(a) and (b). Such Capacity Release Request must be delivered to TransColorado's DART system (or in writing for posting on TransColorado's DART system if TransColorado's DART system is unavailable for receiving Capacity Release Requests) sufficiently in advance so that the release may become effective under Section 6.9 before the release transaction is to commence. A Releasing Shipper may not rollover, extend or in any way continue a Short-term Prearranged Release with the same Replacement or Subreplacement Shipper until twenty-eight (28) days after the Short-term Prearranged Release has ended unless the Releasing Shipper complies with the Capacity Release Request provisions in Sections 6.3 and 6.4.

6.7 Postings; Open Season.

(a) A Capacity Release Request received by TransColorado via EDI (which is applicable only for Prearranged Capacity Release Requests) or through the DART system prior to the starting time of the open season requested by the Releasing Shipper in its Capacity Release Request in conformance with this Section 6 shall be posted on TransColorado's DART system as requested. The posting shall contain the information contained in the Capacity Release Request, except that all identifying information, and the minimum price in any minimum price condition requested to be held confidential by the Releasing Shipper (but not the existence of the minimum bid condition), shall be kept confidential and shall not be posted. The posting shall also include the maximum reservation charge (including all reservation surcharges) applicable to the capacity subject to the Capacity Release Request, the beginning and ending time for the

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

Notice of a withdrawal of a Capacity Release Request must be delivered to TransColorado's Interactive Website or via EDI no later than the end of the open season for the Capacity Release Request.

(g) A Replacement Shipper or Subreplacement Shipper may release the capacity under the provisions of this Section 6 (except as prohibited by Federal Energy Regulatory Commission Regulations).

(h) Any Capacity Release Request not in compliance with this Section 6.5 and the other provisions of TransColorado's Tariff shall be null and void and, even if posted, may be removed from TransColorado's Interactive Website by TransColorado at any time.

6.6 Open Season Exceptions. An open season is not required for:
(a) a Prearranged Release for one year or more at the maximum reservation charge applicable to the capacity being released; or (b) a Short-term Prearranged Release. A Capacity Release Request which is not subject to an open season need only contain the information required in Sections 6.4(a) and (b). Such Capacity Release Request must be delivered to TransColorado's Interactive Website (or in writing for posting on TransColorado's Interactive Website if the Interactive Website is unavailable for receiving Capacity Release Requests) sufficiently in advance so that the release may become effective under Section 6.9 before the release transaction is to commence. A Releasing Shipper may not (1) rollover, extend or in any way continue a Short-term Prearranged Release without first complying with advance posting and bidding requirements or (2) re-release with the same Replacement or Subreplacement Shipper until twenty-eight (28) days after the Short-term Prearranged Release has ended unless the Releasing Shipper complies with the Capacity Release Request provisions in Sections 6.3 and 6.4.

6.7 Postings; Open Season. Except for the provisions in Section 6.6 above, the following constitute the procedures for postings of open seasons:

(a) A Capacity Release Request received by TransColorado via EDI (which is applicable only for Prearranged Capacity Release Requests) or through the Interactive Website prior to the starting time of the open season requested by the Releasing Shipper in its Capacity Release Request in conformance with this Section 6 shall be posted on TransColorado's Interactive Website as requested. The posting shall contain the information contained in the Capacity Release Request, except that all identifying information, and the minimum price in any minimum price condition requested to be held confidential by the Releasing Shipper (but not the existence of the minimum bid condition), shall be kept confidential and shall not be posted. The posting shall also include the maximum reservation charge (including all reservation surcharges)

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

applicable to the capacity subject to the Capacity Release Request, or a statement that the maximum rate does not apply where the rate ceiling on such releases has been waived for capacity transactions of less than one year pursuant to 18 C.F.R. Section 284.8(i), beginning March 26, 2000, extending through September 30, 2002, the beginning and ending time for the open season and the time the notice was posted. TransColorado shall post the Capacity Release Request upon receipt. If the Releasing Shipper requests a posting time, TransColorado will comply with that request as long as it comports with the deadlines set forth in this Section 6.

(b) An open season shall consist of: (i) a one (1) hour period on a business day between 1:00 p.m. and 2:00 p.m. CCT or (ii) any number (no fractions) of days running from 1:00 p.m. CCT on a business day to 2:00 p.m. CCT on the following business day, as requested by the Releasing Shipper in its Capacity Release Request; provided, however, that any capacity release for a period of five (5) months or longer must have an open season of at least three business days, each running from 1:00 p.m. CCT on a business day to 2:00 p.m. CCT on the following business day.

(c) A Releasing Shipper may not specify an extension of an open season or the match period for a Prearranged Release. Rather, the Releasing Shipper must submit a new Capacity Release Request.

6.8 Qualified Bids for Released Capacity Rights.

(a) At any time during an open season, a Qualified Bidder may submit a Qualified Bid to TransColorado's Interactive Website (or in writing for posting on TransColorado's Interactive Website if the Interactive Website is unavailable for receiving Qualified Bids) seeking released capacity rights under a Capacity Release Request. In addition to being prequalified for credit pursuant to Section 6.15, each Qualified Bid must include the following:

(i) The Qualified Bidder's legal name, address, phone number, telefax number, the name and title of the individual responsible for authorizing the Qualified Bid and identification of the capacity rights for which the Qualified Bid is made;

(ii) The term for the purchase;

(iii) A Minimum Bid Volume and a Maximum Bid Volume (in Dth per day);

(iv) The fixed reservation charge and/or volumetric charge that the Qualified Bidder agrees to pay for the capacity (and if a volumetric charge, any minimum amount to be billed as a reservation

Seventh Revised Sheet No. 222 Seventh Revised Sheet No. 222 : Superseded
Superseding: Sixth Revised Sheet No. 222

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

applicable to the capacity subject to the Capacity Release Request, or a statement that the maximum rate does not apply where the rate ceiling on such releases has been waived for capacity transactions of less than one year pursuant to 18 C.F.R. Section 284.8(i), beginning March 26, 2000, extending through September 30, 2002, the beginning and ending time for the open season and the time the notice was posted. TransColorado shall post the Capacity Release Request upon receipt. If the Releasing Shipper requests a posting time, TransColorado will comply with that request as long as it comports with the deadlines set forth in this Section 6.

(b) An open season shall consist of: (i) a one (1) hour period on a business day between 1:00 p.m. and 2:00 p.m. CCT or (ii) any number (no fractions) of days running from 1:00 p.m. CCT on a business day to 2:00 p.m. CCT on the following business day, as requested by the Releasing Shipper in its Capacity Release Request; provided, however, that any capacity release for a period of five (5) months or longer must have an open season of at least three business days, for at least a period running from 1:00 p.m. CCT on a business day to 2:00 p.m. CCT two (2) business days later.

(c) A Releasing Shipper may not specify an extension of an open season or the match period for a Prearranged Release. Rather, the Releasing Shipper must submit a new Capacity Release Request.

6.8 Qualified Bids for Released Capacity Rights.

(a) At any time during an open season, a Qualified Bidder may submit a Qualified Bid to TransColorado's Interactive Website (or in writing for posting on TransColorado's Interactive Website if the Interactive Website is unavailable for receiving Qualified Bids) seeking released capacity rights under a Capacity Release Request. In addition to being prequalified for credit pursuant to Section 6.15, each Qualified Bid must include the following:

(i) The Qualified Bidder's legal name, address, phone number, telefax number, the name and title of the individual responsible for authorizing the Qualified Bid and identification of the capacity rights for which the Qualified Bid is made;

(ii) The term for the purchase;

(iii) A Minimum Bid Volume and a Maximum Bid Volume (in Dth per day);

(iv) The fixed reservation charge and/or volumetric charge that the Qualified Bidder agrees to pay for the capacity (and if a volumetric charge, any minimum amount to be billed as a reservation

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(iv) The fixed reservation charge and/or volumetric charge that the Qualified Bidder agrees to pay for the capacity (and if a volumetric charge, any minimum amount to be billed as a reservation charge, which must be equal to or greater than any such amount designated by the Releasing Shipper);

(v) A statement that the Qualified Bidder agrees to all the terms and conditions of the Capacity Release Request, with only the modifications as expressly provided in its Qualified Bid, which modifications must be permitted by the Capacity Release Request and must conform with the requirements in this Section 6. In the event that the Releasing Shipper has stated that Qualified Bid(s) may be contingent upon subsequent events and the Qualified Bidder submits such a contingent Qualified Bid, then the Qualified Bidder must state in full the nature of the condition and the last date by which the Qualified Bid is null and void if the contingency does not occur; and

(vi) Agreement that the Qualified Bidder is bound by the terms and conditions of the capacity award by TransColorado pursuant to this Section 6 to the Qualified Bidder, including TransColorado's standard Form of Service Agreement covering the Rate Schedule applicable to the released capacity and the terms and conditions of the Qualified Bid and the Capacity Release Request, in accordance with TransColorado's Tariff.

(b) The volume in a Qualified Bid may not be less than the minimum volume required for an Eligible Firm Transportation Agreement under TransColorado's Tariff. Neither the volume nor the release term specified in a Qualified Bid may exceed the maximum volume or term specified in a Capacity Release Request, unless the Capacity Release Request specifically allows otherwise. A Qualified Bidder must accept all the terms and conditions of a Capacity Release Request submitted under Section 6.4 (involving a Prearranged Release) except for the level of the reservation charge and the CD, unless the Capacity Release Request specifically allows otherwise.

(c) A Qualified Bidder may not bid rates which would exceed TransColorado's maximum reservation charge applicable to the Eligible Firm Transportation Agreement capacity. If the Original Shipper is paying a Negotiated Rate or a rate under a Negotiated Rate Formula pursuant to Section 23 of these General Terms and Conditions, a Qualified Bidder may not bid a rate which exceeds the applicable recourse rate. The maximum Qualified Bid reservation charge includes all demand surcharges, including all direct-billed charges which are or may become applicable to the Eligible Firm Transportation Agreement capacity.

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(d) All Qualified Bids shall provide for payment of maximum usage charges under TransColorado's Tariff for the capacity bid, as well as all other applicable add-on charges and surcharges under TransColorado's Tariff, such as, but not limited to, ACA and Fuel Reimbursement.

(e) A Qualified Bid received by TransColorado during an open season shall be posted by TransColorado on its Interactive Website, without the name of the Qualified Bidder. A Qualified Bid may be withdrawn by the Qualified Bidder prior to the close of the open season, but may not be withdrawn thereafter. Following such withdrawal, the Qualified Bidder cannot bid for the same capacity during the open season at a lower rate.

(f) All Qualified Bids must be consistent with all provisions of TransColorado's Tariff. Any Qualified Bid inconsistent with TransColorado's Tariff or the applicable Capacity Release Request shall be null and void.

6.9 Awarding of Released Capacity; Effective Date; Gas Nominations.

(a) For a Prearranged Release for which no open season is required under Section 6.6 and which is received by 9:00 a.m. CCT on a business day, TransColorado shall award the capacity to the Prearranged Shipper by 10:00 a.m. CCT on such business day on which TransColorado received the Prearranged Release, provided that all applicable provisions of this Section 6 have been complied with.

(b) As to any other Prearranged Release, in the event there was no winning Qualified Bid(s) with a higher total Bid Value than the Prearranged Shipper's Bid Value, TransColorado shall notify the Prearranged Shipper by 3:00 p.m. CCT following the end of the open season. If, during an open season, the winning Qualified Bid(s) have a higher total Bid Value than the Bid Value of the Prearranged Release under the bid evaluation procedure selected by the Releasing Shipper, then, by 3:00 p.m. CCT following the conclusion of the open season, TransColorado shall notify the Prearranged Shipper of the terms and conditions of the winning Qualified Bid(s), except for any identification of the Qualified Bidder(s). The Prearranged Shipper may elect to match any or all of such winning Qualified Bid(s), but may not elect to match only a portion of a winning Qualified Bid. Such election shall consist of the Prearranged Shipper submitting notice to TransColorado of its unconditional agreement to the terms and conditions of one or more of such winning Qualified Bid(s) in writing or electronic means by 4:00 p.m. CCT on the business day on which TransColorado gave notice to the Prearranged Shipper of such

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(d) All Qualified Bids shall provide for payment of maximum usage charges under TransColorado's Tariff for the capacity bid, as well as all other applicable add-on charges and surcharges under TransColorado's Tariff, such as, but not limited to, ACA and Fuel Reimbursement.

(e) A Qualified Bid received by TransColorado during an open season shall be posted by TransColorado on its Interactive Website, without the name of the Qualified Bidder. A Qualified Bid may be withdrawn by the Qualified Bidder prior to the close of the open season, but may not be withdrawn thereafter. Following such withdrawal, the Qualified Bidder cannot bid for the same capacity during the open season at a lower rate.

(f) All Qualified Bids must be consistent with all provisions of TransColorado's Tariff. Any Qualified Bid inconsistent with TransColorado's Tariff or the applicable Capacity Release Request shall be null and void.

6.9 Awarding of Released Capacity.

(a) For a Prearranged Release for which no open season is required under Section 6.6 and which is received two (2) hours prior to the nomination cycle deadline on any business day, TransColorado shall award the capacity and issue a contract to the Prearranged Shipper within one (1) hour after release notification on such Business Day on which TransColorado received the Prearranged Release, provided that all applicable provisions of this Section 6 have been complied with.

(b) As to any posted Prearranged Release, in the event there was no winning Qualified Bid(s) with a higher total Bid Value than the Prearranged Shipper's Bid Value, TransColorado shall notify the Prearranged Shipper. If, during an open season, the winning Qualified Bid(s) have a higher total Bid Value than the Bid Value of the Prearranged Release under the bid evaluation procedure selected by the Releasing Shipper, TransColorado shall notify the Prearranged Shipper of the terms and conditions of the winning Qualified Bid(s), except for any identification of the Qualified Bidder(s). The Prearranged Shipper may elect to match any or all of such winning Qualified Bid(s), but may not elect to match only a portion of a winning Qualified Bid. Such election shall consist of the Prearranged Shipper submitting notice to TransColorado of its unconditional agreement to the terms and conditions of one or more of such winning Qualified Bid(s) in writing or electronic means. In the event of a timely match, then the Prearranged Shipper shall be awarded the released capacity. To the extent that the Prearranged

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

writing or electronic means. In the event of a timely match, then the Prearranged Shipper shall be awarded the released capacity. To the extent that the Prearranged Shipper fails to timely match the winning Qualified Bid(s) with a higher Bid Value, then the Qualified Bidder(s) who made the winning Qualified Bid shall be awarded the capacity. To the extent that the Prearranged Shipper fails to timely match the winning Qualified Bid(s) with a higher Bid Value, then the Qualified Bid(s) who made the winning Qualified Bid shall be awarded the capacity. The timelines for the above actions shall be as provided in Section 6.1.

(c) For any other Capacity Release Request, the capacity rights shall be automatically awarded to the winning Qualified Bidder(s) when TransColorado has identified the entity(s) to receive the released capacity under this Section 6.

(d) A capacity release shall become effective, and nominations for gas service utilizing the release capacity shall be accepted, at the next available opportunity that is at least one hour after capacity has been awarded hereunder for nominations under Section 8.2 of these General Terms and Conditions, consistent with 18 C.F.R. Section 284.12(c)(1)(ii). TransColorado shall issue a contract to the winning Qualified Bidder within one (1) hour after the capacity has been awarded. So long as the winning bidder has pre-approved credit, that bidder can submit a nomination consistent with the above regardless of whether a contract with TransColorado covering the capacity awarded has been executed, subject to the provisions of the relevant rate schedule regarding execution of a contract tendered by TransColorado. If the original Shipper has already submitted a nomination on that day under the Agreement being released, and if the Replacement Agreement covering the released capacity is effective the same day, the original Shipper may incur overrun charges if his nomination exceeds the reduced contractual parameters under the original Agreement resulting from the release.

(e) Gas nominations for transportation pursuant to released capacity are subject to the provisions of Section 8 of these General Terms and Conditions. Gas nominations by a Shipper utilizing released capacity awarded by TransColorado shall constitute Shipper's binding acceptance of the terms and conditions of the capacity award by TransColorado pursuant to this Section 6, including TransColorado's standard Form of Service Agreement covering the Rate Schedule applicable to the released capacity and the terms and conditions of the Qualified Bid and the Capacity Release Request, in accordance with TransColorado's Tariff.

(f) Subject to the other provisions in this Section 6, in the event that there is no Qualified Bidder or Prearranged Shipper for posted Eligible Firm Transportation Agreement capacity during an open season, no capacity release will be awarded and the Releasing Shipper shall retain the capacity sought to be released.

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.10 Bid Evaluation Procedure.

(a) Unless specifically requested otherwise by a Releasing Shipper in its Capacity Release Request, Qualified Bids for released capacity shall be evaluated pursuant to Sections 6.10(b) through 6.10(g) below. Any Qualified Bid which does not meet a minimum price condition stated in the Capacity Release Request shall be rejected outright. Any Qualified Bid with a contingency must have such contingency eliminated before 3:00 p.m. CCT following the close of the open season, unless the Releasing Shipper's offer has specified a later time; otherwise, such Qualified Bid will be rejected.

(b) TransColorado shall calculate a Bid Value and Unit Bid Value for each Qualified Bid and Prearranged Release (if any), and shall calculate the Winning Bid Value, as follows:

(i) For each month, the volume and reservation charge per Dth stated in the Qualified Bid shall be multiplied together to derive a gross monthly revenue figure. If the Qualified Bids contain volumetric-based charges permitted by the Capacity Release Request, then the gross monthly revenue figure shall be equal to any minimum amount designated by the bidder to be billed as a reservation charge even if there is no (or insufficient) flow.

(ii) Each gross monthly revenue figure shall be discounted to a net present value figure as of the first day of the capacity release as sought in the Capacity Release Request, using the current Federal Energy Regulatory Commission interest rate as defined in 18 C.F.R. Section 154.501(d).

(iii) The net present value figures for the proposed release shall be summed, and such sum shall be the Bid Value.

(iv) The Unit Bid Value is defined to equal the Bid Value divided by the product of: (1) the highest volume of capacity (in Dth) sought in the Qualified Bid for any day; multiplied by (2) the release term (in months) in the Capacity Release Request; and multiplied further by (3) thirty and four-tenths (30.4).

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(c) The combination of Qualified Bid(s) with the highest possible total Bid Value (Winning Bid Value) for the capacity in the Capacity Release Request shall be the winning Qualified Bid(s). A Qualified Bid may be allocated less than its Maximum Bid Volume, but in no event shall the Qualified Bid be allocated less than its Minimum Bid Volume. It is recognized that this procedure is intended to result in the highest possible total Bid Value for the Releasing Shipper consistent with the Qualified Bids, and it is possible that a Qualified Bid with the highest individual Unit Bid Value may be rejected partially or in its entirety.

(d) If there is more than one combination of Qualified Bids with a total Bid Value equal to the Winning Bid Value this Section 6.10(d) provides the procedure for selecting just one such combination, and thereby the winning Qualified Bid(s).

Subject to the provisions in Sections 6.10(d) (i), (ii) and (iii) below, the selection of winning Qualified Bid(s) among Qualified Bids (or combinations thereof) of equal Winning Bid Value is based on the following order of preference: (i) pro rata, if possible; (ii) preference for a Qualified Bid with the highest Maximum Bid Volume; (iii) preference for a Qualified Bid with the lowest Minimum Bid Volume; and (iv) first come, first served.

The specific Qualified Bid selection procedure is as follows:

(i) Identify the Winning Bid Value. If there is only one Qualified Bid, or combination of Qualified Bids, which create the Winning Bid Value, such Qualified Bid(s) shall be awarded the released capacity.

(ii) In order to break ties, identify all Qualified Bids which, alone or in combination with other Qualified Bids, can create the Winning Bid Value. Rank order these Qualified Bids in order of their Unit Bid Value from highest to lowest. Allocate the Capacity Release Request capacity first to the Maximum Bid Volume of each Qualified Bid with the highest Unit Bid Value; allocate any remainder to the Maximum Bid Volume of each Qualified Bid with the next highest Unit Bid Value; and so forth. If, at any step, the available Capacity Release Request capacity is less than the combined Maximum Bid Volumes of Qualified Bids with equal Unit Bid Values, then the Capacity Release Request capacity shall be allocated on a pro rata basis to each Qualified Bid based on its Maximum Bid Volume.

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

To the extent such a pro rata allocation would result in a capacity allocation to one or more Qualified Bid(s) below its Minimum Bid Volume, then such below-minimum Qualified Bids shall be discarded in their entirety and the Capacity Release Request capacity shall instead be allocated on a pro rata basis (based on the Maximum Bid Volume of each Qualified Bid) among the remaining Qualified Bid(s).

(iii) In the event that the previous Section 6.10(d) (ii) pro rata allocation procedure does not result in a single winning combination of Qualified Bid(s) with the Winning Bid Value, then Section 6.10(d) (ii) shall be disregarded and the winning Qualified Bid(s) shall be determined in the following manner:

(1) Identify the highest individual Maximum Bid Volume for a Qualified Bid which, alone or in combination with other Qualified Bid(s), can create the Winning Bid Value. Discard all Qualified Bid combinations which do not contain a Qualified Bid with such highest Maximum Bid Volume. Identify the highest volume which can be allocated to such Qualified Bid with such highest Maximum Bid Volume in the remaining combinations and still have the Winning Bid Value. Discard all combinations of Qualified Bid(s) which do not contain the highest such volume allocation. If this does not break the tie, then repeat the above procedure looking to the next highest Maximum Bid Volume, with the highest volume allocated thereto, within each remaining combination of Qualified Bid(s) with a Winning Bid Value; and so forth, until the tie is broken or all Qualified Bids in the remaining combinations are reviewed.

(2) If the above does not break the tie, identify again the Qualified Bid within each remaining combination with the highest Maximum Bid Volume and the highest volume allocated to such Qualified Bid, and identify which such Qualified Bid has the lowest Minimum Bid Volume. Discard all combinations which do not contain such Qualified Bid. If this does not break the tie, repeat the above procedure looking to the next highest Maximum Bid Volume, with the lowest Minimum Bid Volume, within each remaining combination of Qualified Bid(s) with the Winning Bid Value; and so forth, until the tie is broken or all Qualified Bid(s) in the remaining combination are reviewed.

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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(3) If the above does not break the tie, identify again the Qualified Bid within each remaining combination with the highest Maximum Bid Volume. The combination containing such Qualified Bid that TransColorado's Interactive Website shows was submitted and received earliest by the Interactive Website (or if the Interactive Website is not available and the Qualified Bid was submitted in writing, the time TransColorado received the Qualified Bid) shall be the winning combination. The next highest Maximum Bid Volume within each remaining combination shall be used as necessary pursuant to the above first come, first served rule to break any remaining ties; and so forth as necessary to break any remaining ties.

(4) In no event shall the combination of winning Qualified Bid(s) result in a total Bid Value less than the highest possible total Bid Value achievable from a combination of Qualified Bid(s) consistent with the Qualified Bids, the Capacity Release Request and this Section 6.

(5) The Qualified Bid(s) allocated capacity under Sections 6.10(c) or 6.10(d) shall be winning Qualified Bid(s) to the extent of such capacity allocations.

(6) Here are examples of the application of Section 6.10(d):

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EXAMPLE (1)
Assume:

Capacity Release Request = 100,000/day for 5 years Qualified Bids:

Maximum Bid Volume	Term	Unit Bid Value	Minimum Bid Volume
-----	-----	-----	-----
Bid (a) 20,000/day	5 years	\$.18	0
Bid (b) 10,000/day	5 years	\$.17	0
Bid (c) 85,000/day	5 years	\$.15	0

Winning Qualified Bids: There is only one combination of bids with the highest possible total Bid Value (Winning Bid Value). Therefore, Bid (a) receives its Maximum Bid Volume (20,000); Bid (b) receives its Maximum Bid Volume (10,000); Bid (c) receives 70,000.

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

EXAMPLE (2) The assumptions remain the same as in Example (1), except that we assume that Bid (c) has a Minimum Bid Volume of 85,000.

Winning Qualified Bids: Again, there is only one combination of bids with the Winning Bid Value. Therefore, Bid (c) receives its Maximum Bid Volume (85,000) plus Bid (a) receives 15,000.

EXAMPLE (3) The assumptions remain the same as in Example (1), except that we assume that Bid (a) has a Minimum Bid Volume of 20,000 and Bid (c) has a Minimum Bid Volume of 85,000.

Winning Qualified Bids: Again, there is only one combination of bids with the Winning Bid Value. Therefore, Bids (b) and (c) each receive their Maximum Bid Volumes. This combination leaves 5,000 unallocated, which stays with the Releasing Shipper.

EXAMPLE (4) Assume:
 Capacity Release Request = 100,000/day for 5 years Qualified Bids:

	Maximum Bid Volume	Term	Unit Bid Value	Minimum Bid Volume
Bid (a)	60,000/day	5 years	\$.18	0
Bid (b)	60,000/day	5 years	\$.18	0
Bid (c)	70,000/day	5 years	\$.18	45,000
Bid (d)	50,000/day	5 years	\$.18	15,000
Bid (e)	30,000/day	5 years	\$.18	10,000
Bid (f)	40,000/day	5 years	\$.17	0

Winning Qualified Bids: Bid (a) receives 30,000; Bid (b) receives 30,000; Bid (d) receives 25,000; and Bid (e) receives 15,000.

Explanation: There are many combinations of Bids (a), (b), (c), (d) and (e) with the same Winning Bid Value. Each Bid has the same Unit Bid Value. There is insufficient capacity being released to provide all the Maximum Bid Volumes for Bids (a), (b), (c), (d) and (e). Pursuant to Section 6.10(d)(2), a pro rata allocation is attempted. This would result in each bidder receiving 100/270 of its Maximum Bid Volume. In the case of Bid (c), Bid (c) would receive 70,000 (100/270) = 25,925 Dth. Since this figure is below Bid (c)'s Minimum Bid Volume of 45,000, Bid (c) must be discarded. Bids (a), (b), (d) and (e) are able to be allocated capacity based on a 100/270 pro rata factor. With Bid (c) discarded, the pro rata allocation factor is now 100/200 (i.e., one-half) so that Bids (a), (b), (d), and (e) each receive half of their Maximum Bid Volumes. Bid (c) receives zero (0) because its Minimum Bid Volume was too high for the initial pro rata allocation.

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

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EXAMPLE (5) Assume:
 Capacity Release Request = 100,000/day for 5 years.

Qualified Bids:

	Maximum Bid Volume	Term	Unit Bid Value	Minimum Bid Volume
	-----	-----	-----	-----
Bid (a)	60,000/day	5 years	\$.18	60,000
Bid (b)	60,000/day	5 years	\$.18	50,000
Bid (c)	70,000/day	5 years	\$.18	65,000
Bid (d)	50,000/day	5 years	\$.18	15,000
Bid (e)	30,000/day	5 years	\$.18	10,000
Bid (f)	40,000/day	5 years	\$.17	0

Winning Qualified Bids: Bid (c) receives 70,000. Bid (d) receives 30,000.

Explanation: Again, there are many combinations of Bids (a), (b), (c), (d) and (e) with the same Winning Bid Value. Pro rata allocation won't work, because each Bid would receive 100/270 of the capacity; only Bids (d) and (e) have low enough Minimum Bid Volumes for a pro rata allocation, and the sum of Bid (d)'s and Bid (e)'s Maximum Bid Volumes is less than 100,000. Under Section 6.10(d)(iii)(1), we then look to the combinations of Bid(s) (a), (b), (c), (d) and (e) to identify the Bid with the highest Maximum Bid Volume. This is Bid (c). We allocate the highest volume to Bid (c) consistent with creating the Winning Bid Value, so 70,000 is allocated to (c). This leaves 30,000 to be allocated. Bids(a) and (b) have the next highest Maximum Bid Volume (60,000), but the Minimum Bid Volumes of Bids (a) and (b) are each too high to receive the remaining capacity. The next highest available Maximum Bid Volume is in Bid (d), which is allocated the remaining capacity of 30,000.

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First Revised Sheet No. 227C First Revised Sheet No. 227C : Superseded
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GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

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EXAMPLE (6) The assumptions remain the same as in Example (5), except that we assume that Bids (c) and (d) were never made.

Winning Qualified Bids: Bid (b) receives 60,000. Bid (e) receives 30,000. Bid (f) receives 10,000.

Explanation: There are two combinations of Qualified Bids with the Winning Bid Value:

Combination 1	Combination 2
-----	-----
Bid (a): 60,000	Bid (b): 60,000
Bid (e): 30,000	Bid (e): 30,000
Bid (f): 10,000	Bid (f): 10,000

(Pro rata allocation pursuant to Section 6.10(d) (2) between Bids (a), (b) and (e) doesn't work, because only Bid (e) has a low enough Minimum Bid Volume to accept 100/150 capacity allocation and Bid (e) alone cannot create the Winning Bid Value). Under Section 6.10(d) (iii) (1), we compare Combinations 1 and 2 for the highest individual Maximum Bid Volumes, and find them all equal. Under Section 6.10(d) (iii) (2), the tie breaker goes to the Winning Bid Value combination containing the Qualified Bid having the highest Maximum Bid Volume and the lowest Minimum Bid Volume. In this case, Bid (b) has the same (highest) Maximum Bid Volume as Bid (a) but a lower Minimum Bid Volume. Therefore, Combination 2 wins.

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

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EXAMPLE (7) Assume:
Capacity Release Request = 100,000/day for 5 years Qualified Bids (which were all received through the Interactive Web Site):

	Maximum Bid Volume	Term	Unit Bid Value	Minimum Bid Volume
	-----	-----	-----	-----
Bid (a)	50,000/day	5 years	\$.18	50,000
Bid (b)	50,000/day	5 years	\$.18	50,000
Bid (c)	50,000/day	5 years	\$.18	50,000

Winning Qualified Bids: The two Qualified Bids shown as received earliest by TransColorado's Interactive Web Site shall each receive their Maximum Bid Volume.

Explanation: Clearly, any two Bids in combination have the same Winning Bid Value. Since the Bids are completely inflexible and have equivalent Maximum Bid Volumes and equivalent Minimum Bid Volumes, only Section 6.10(d)(iii)(3) can be used to break the tie. The tie breaker looks to the Qualified Bid(s) shown as received earliest on TransColorado's Interactive Web Site.

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(e) In no event shall this Section 6.10 result in winning Qualified Bids with a total volume in excess of the capacity specified in the Capacity Release Request.

(f) The bid evaluation procedure set forth in this Section 6.10 shall only consider Qualified Bids to the extent they provide for an objectively quantifiable payment by the Qualified Bidder. A Qualified Bid based on a percentage of TransColorado's reservation charge shall be evaluated by TransColorado based solely on the maximum reservation charge being charged by TransColorado for such service as of the end of the open season.

(g) If the Releasing Shipper selected a bid evaluation procedure which is different from the procedure set forth in this Section 6.10, which procedure must comply with Section 6.5, TransColorado shall determine the winning Qualified Bid(s) pursuant to the Releasing Shipper's bid evaluation procedure in its Capacity Release Request and computer diskette (if any) submitted by the Releasing Shipper pursuant to Section 6.5(a).

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.11 Confirmations; Released Firm Transportation Agreement. At the time the award of capacity under this Section 6 is posted, TransColorado shall send the winning Qualified Bidder or the Prearranged Shipper confirmation of the capacity release awarded to such Qualified Bidder or Prearranged Shipper. Prior to TransColorado awarding capacity on a Prearranged Release, the Prearranged Shipper shall confirm electronically the terms of the Prearranged Release.

6.12 Completed Transactions. By 5:00 p.m. CCT after capacity has been awarded, TransColorado shall post on its Interactive Website the name(s) of the winning Qualified Bidder(s), identification of the winning Qualified Bid(s) and any minimum bid conditions held confidential during the open season. The Releasing Shipper is responsible for reviewing the Qualified Bids to ensure that the released capacity was correctly awarded. The Releasing Shipper shall notify TransColorado of any error in the award of capacity within one business day after such posting on the Interactive Website. In the event of an error, the capacity shall be reawarded by TransColorado. As between TransColorado and the Releasing Shipper, the Releasing Shipper shall indemnify and hold TransColorado harmless as to any costs, damages or expenses relating to the bid evaluation procedure for which timely notice of an error was not provided to TransColorado by the Releasing Shipper hereunder. TransColorado shall correct an error in a timely fashion after receiving notice of such error from the Releasing Shipper or another person.

6.13 Billing

(a) TransColorado shall bill the Replacement Shippers and the Subreplacement Shippers the rate(s) specified in the Released Firm Transportation Agreements and any other applicable charges and each such Replacement Shipper and Subreplacement Shipper shall pay the billed amounts directly to TransColorado. TransColorado will support volumetric releases with volumetric commitments by fully accounting for volumetric and reservation components, consistent with the rules and regulations enunciated by the Federal Energy Regulatory Commission.

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(b) A Releasing Shipper shall be billed the reservation charge associated with the entire amount of released capacity pursuant to its contract rate, which includes all non-usage based charges under TransColorado's Tariff for such released capacity including but not limited to additional direct-bill charges, with a concurrent conditional credit for payment of the reservation charge due from the Replacement or Subreplacement Shipper(s), as applicable, which received the released capacity. Releasing Shipper shall also be billed a marketing fee, if applicable. As to any capacity released by a Releasing Shipper, the Releasing Shipper shall not be billed or be responsible for: (i) usage charges; and (ii) add-on charges and surcharges applicable to TransColorado's usage rates under TransColorado's Tariff such as ACA and Fuel Reimbursement, which are incurred by a Replacement Shipper or Subreplacement Shipper which received the released capacity.

(c) If a Replacement Shipper or Subreplacement Shipper does not make payment to TransColorado of the reservation portion of the charges due as set forth in its Released Firm Transportation Agreement, TransColorado shall bill the Releasing Shipper(s) from whom such Replacement or Subreplacement Shipper received the capacity for the amount(s) due, including all applicable late charges authorized by TransColorado's Tariff, and such amount shall be paid by such Releasing Shipper within ten (10) days of the receipt of such billing, or interest shall continue to accrue. In the event that the Replacement or Subreplacement Shipper has not paid such amount(s) due by the end of such ten (10) day period, then: (i) the Releasing Shipper has the right to recall the capacity; and (ii) TransColorado's rights against the delinquent Replacement/Subreplacement Shipper shall be subrogated to the related rights of the Releasing Shipper. TransColorado shall make a reasonable effort to collect from the Replacement/Subreplacement Shipper the amount(s) due. Such reasonable effort shall not include incurring costs from outside attorneys, collection agents or other third parties.

(d) All payments received from a Replacement or Subreplacement Shipper shall first be applied to reservation charges, then to late charges on reservation charges, then to late charges not on the reservation charges, and then last to usage-based charges. Payments by Replacement or Subreplacement Shippers in excess of the total amount(s) due for the Released Firm Transportation Agreement capacity shall be a credit applied to any outstanding balance owed under any contract with TransColorado, or a refund if requested in writing and no such outstanding balance exists.

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6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.14 Nominations/Scheduling; Recalls and Reputs. All Replacement and Subreplacement Shippers shall nominate and schedule natural gas for service hereunder directly with TransColorado in accordance with the applicable procedures set forth in Section 8 of these General Terms and Conditions. In order for any capacity recall or capacity reput to be effective for a day, a Releasing Shipper must give prior notice of such recall or reput and any allocation of the capacity for a partial recall or reput to TransColorado. Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity (scheduled or unscheduled) at the Timely Nomination cycle and the Evening Nomination cycle, and recall unscheduled released capacity at the Intra-Day 1 and Intra-Day 2 Nomination cycles by providing notice to TransColorado by the following times for each cycle: 8:00 a.m. for the Timely Nomination cycle; 5:00 p.m. for the Evening Nomination Cycle; 8:00 a.m. For the Intra-Day 1 Nomination cycle, and 3:00 p.m. for the Intra-Day 2 Nomination cycle. Notification to replacement Shippers will be provided by TransColorado within one hour of receipt of recall notification. All recalls and reputs shall be effective as of the start of a day, must be consistent with the nomination cycle in which submitted, must be for a term of at least one full day and must be consistent with the procedures set forth in the Capacity Release Request and this Tariff.

In the event of a dispute between the Releasing Shipper and any other person as to the validity of any recall or reput, or the status of the holder of the capacity rights, TransColorado shall be entitled to conclusively rely on any notice provided by the Releasing Shipper. The Original Shipper, Replacement Shipper and/or Subreplacement Shipper involved in any such dispute shall indemnify and hold TransColorado harmless from any costs, damages or expenses relating to TransColorado's reliance on such notice.

6.15 Qualification for Participation in the Capacity Release Program.

(a) Any person wishing to become a Qualified Bidder and make a Qualified Bid must satisfy the creditworthiness requirements in Section 18 of these General Terms and Conditions prior to submitting a Qualified Bid under this Section 6. A person cannot bid for services which exceed its pre-qualified level of credit-worthiness. TransColorado shall process--and encourages--applications from potential Qualified Bidders seeking prequalification for bids they may make in the future.

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

(b) Credit applications shall be completed in full with all information required to establish creditworthiness under the credit criteria included in Section 18 of these General Terms and Conditions. Should a potential bidder fail to satisfy such credit criteria, the potential bidder may still become a Qualified Bidder by providing a prepayment, letter of credit, or other good and sufficient security satisfactory to TransColorado as further set forth in Section 18 of these General Terms and Conditions.

(c) Based on TransColorado's continuing review of a Shipper's financial records, TransColorado shall have the right to amend a Shipper's line of credit and lower or increase the quantity and term.

(d) TransColorado's determination of a Shipper's creditworthiness is solely for TransColorado's purposes under TransColorado's Tariff and such determination is neither a representation nor a guarantee to a Releasing Shipper or any other entity as to the ability of a Replacement or Subreplacement Shipper to pay any outstanding amount under a Released Firm Transportation Agreement.

6.16 Compliance by Shipper. By acquiring released capacity, a Shipper agrees that it will comply with all provisions of TransColorado's Tariff and all applicable Commission orders, rules and regulations. Such Shipper also agrees to be responsible to TransColorado for compliance with all applicable terms and conditions of TransColorado's Tariff, as well as the terms and conditions of the Released Firm Transportation Agreement.

6.17 Obligations of Releasing Shipper.

(a) The Releasing Shipper shall continue to be liable and responsible for all reservation charges associated with the released capacity up to the reservation charge specified in such Releasing Shipper's Agreement with TransColorado. The Releasing Shipper agrees that the award of capacity to a Replacement Shipper or Subreplacement Shipper shall automatically reduce the Releasing Shipper's firm capacity rights under the Agreement with TransColorado effective on the effective date of the release for the period of the release, except for any period that the firm capacity is recalled by the Releasing Shipper (if the successful bid so permits) until such capacity is reup to the Replacement or Subreplacement Shipper, in accordance with this Section 6.

(b) A release by a Replacement Shipper shall not relieve the Original Shipper or the Replacement Shipper of their obligations under this Section 6.

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First Revised Sheet No. 227I First Revised Sheet No. 227I : Superseded
Superseding: Original Sheet No. 227I

GENERAL TERMS AND CONDITIONS

6. CAPACITY RELEASE BY FIRM SHIPPERS (Continued)

6.18 Conversions Between Monthly and Daily Reservation Rates. For less than maximum rate transactions only, converting daily rate to monthly rate is accomplished by multiplying the daily rate times number of days in rate period, dividing the result by number of months in rate period and taking the remainder out to five (5) decimal places and rounding up or down to TransColorado's specified decimal place. Converting a monthly rate to a daily rate is accomplished by multiplying the monthly rate by number of months in rate period, dividing the result by number of days in rate period and taking the remainder out to five (5) decimal places and rounding up or down to TransColorado's specified decimal place.

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FERC Docket: RP01-419-000

Third Revised Sheet No. 228 Third Revised Sheet No. 228 : Suspended
Superseding: Second Revised Sheet No. 228

GENERAL TERMS AND CONDITIONS

7. RIGHT OF FIRST REFUSAL PROCEDURE

7.1 Upon expiration or notice of termination from TransColorado of a firm service agreement with a term of one year or greater, Shipper shall have a right of first refusal to extend service under a new service agreement. The Shipper must give TransColorado written notice that it will utilize the right-of-first refusal procedure the earlier of (a) the date of the notice period provided for in Shipper's contract; or (b) 90 days prior to the expiration of the term of the contract. TransColorado shall provide written notice to the Shipper 30 days in advance of the applicable deadline. In the notice TransColorado will specify the information Shippers need to provide to exercise their right of first refusal.

7.2 TransColorado shall post on the Informational Postings portion of the Interactive Website the terms and conditions of the available capacity under the expiring contract as follows:

- (a) CD stated in Dth/day.
- (b) Receipt and delivery points at which capacity is available and the firm quantities at such points.
- (c) Effective date.
- (d) Term.
- (e) Applicable rates for the service.
- (f) Minimum conditions.
- (g) The criteria by which bids are to be evaluated.
- (h) That the capacity is subject to right of first refusal.

7.3 Capacity will be made available on a nondiscriminatory basis and will be assigned on the basis of a bid period determined pursuant to the open season periods provided for in Section 6 of the General Terms and Conditions.

- (a) A Shipper desiring to acquire the available capacity shall place a bid with TransColorado, through the Interactive Website or in writing, during the bid period. The bid shall be binding once received by TransColorado and may not be withdrawn by the Bidding Shipper.

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FERC Docket: RP00-459-002

Fourth Revised Sheet No. 228 Fourth Revised Sheet No. 228 : Superseded
Superseding: Third Revised Sheet No. 228

GENERAL TERMS AND CONDITIONS

7. RIGHT OF FIRST REFUSAL PROCEDURE

7.1 Upon expiration or notice of termination from TransColorado of a firm service agreement, with a term of 12 consecutive months or greater at the maximum tariff rate, or multi-year seasonal maximum-rate contracts for services not offered for a full 12 months, Shipper shall have a right of first refusal to extend service under a new service agreement. Shippers with firm service at discounted rates or negotiated-rate Shippers with contracts entered into prior to March 26, 2000, with a term equal to or greater than one year retain the right of first refusal. However, any such grandfathered service agreement thereafter shall extend at the maximum rate for twelve or more consecutive months of service or for a term of more than one year for service not available for twelve consecutive months in order to retain its ROFR beyond the extended term. The Shipper must give TransColorado written notice that it will utilize the right-of-first refusal procedure the earlier of (a) the date of the notice period provided for in Shipper's contract; or (b) 90 days prior to the expiration of the term of the contract. TransColorado shall provide written notice to the Shipper 30 days in advance of the applicable deadline. In the notice TransColorado will specify the information Shippers need to provide to exercise their right of first refusal.

7.2 TransColorado shall post on the Informational Postings portion of the Interactive Website the terms and conditions of the available capacity under the expiring contract as follows:

- (a) CD stated in Dth/day.
- (b) Receipt and delivery points at which capacity is available and the firm quantities at such points.
- (c) Effective date.
- (d) Term.
- (e) Applicable rates for the service.
- (f) Minimum conditions.
- (g) The criteria by which bids are to be evaluated.
- (h) That the capacity is subject to right of first refusal.

7.3 Capacity will be made available on a nondiscriminatory basis and will be assigned on the basis of a bid period determined pursuant to the open season periods provided for in Section 6 of these General Terms and Conditions.

- (a) A Shipper desiring to acquire the available capacity shall place a bid with TransColorado, through the Interactive Website or in writing, during the bid period. The bid shall be binding once received by TransColorado and may not be withdrawn by the Bidding Shipper.

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FERC Docket: GT00- 25-000

Second Revised Sheet No. 229 Second Revised Sheet No. 229 : Superseded
Superseding: First Revised Sheet No. 229

GENERAL TERMS AND CONDITIONS

7. RIGHT OF FIRST REFUSAL PROCEDURE (Continued)

(b) The Bidding Shipper's bid must include all information required by Section 5 of these General Terms and Conditions of this Tariff.

7.4 TransColorado shall not be obligated to accept any bid for the capacity at less than the maximum applicable tariff rate or for a term greater than 20 years. Upon acceptance of a bid, TransColorado shall inform the existing Shipper of the terms of the bid to permit the Shipper to exercise its right of first refusal. A Shipper exercising its right of first refusal must match the highest bid but only up to the maximum term of five years. The existing Shipper shall have five days to inform TransColorado that it agrees to match the bid.

If the existing Shipper notifies TransColorado that it elects to match the terms of price and duration of the accepted bid, TransColorado shall contract with the existing Shipper. If the existing Shipper does not elect to match the terms of the Acquiring Shipper's bid, TransColorado will contract with the Acquiring Shipper according to the terms and conditions of the Tariff.

7.5 If no bids are received and the existing Shipper is willing to pay the maximum rate, the existing Shipper will be entitled to continue to receive service for whatever term it chooses. At the end of the term, the existing Shipper may again exercise its right of first refusal to retain the capacity.

7.6 Any shipper that acquires available capacity according to this section will not be required to repeat the bidding procedures outlined in Section 5 of this Tariff.

7.7 If TransColorado and an existing Shipper enter into a new contract to continue service that was not subject to an evergreen clause or the right of first refusal procedure, the bidding requirements included in Section 5 of these General Terms and Conditions shall apply.

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FERC Docket: RP01-419-000

Fourth Revised Sheet No. 230 Fourth Revised Sheet No. 230 : Suspended
Superseding: Third Revised Sheet No. 230

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES

Nominations must be submitted to TransColorado through TransColorado's Interactive Website, or such other electronic means as are mutually agreed upon by TransColorado and Shipper. The sending party should adhere to nomination, confirmation and scheduling deadlines. The receiving party may waive any submittal deadline in this Section 8 or as outlined in the applicable GISB standards.

8.1 Priority of Service. Shippers shall be entitled to transportation service subject to the availability of pipeline capacity on TransColorado's system in the following order of declining priority:

(a) All firm transportation service provided at primary receipt and delivery points prorated on the basis of confirmed quantities.

(b) All firm transportation service provided at alternate receipt and delivery points prorated on the basis of confirmed quantities.

(c) All interruptible transportation service prorated on the basis of confirmed quantities.

(d) All authorized overrun transportation service prorated on the basis of confirmed quantities.

8.2 Scheduling of Gas Receipts and Deliveries. This Section 8.2 applies to the operation of TransColorado's System and sets forth the procedures for scheduling of receipts and deliveries under Transportation Service Agreements pursuant to this Tariff. If on any day TransColorado should determine that the transportation capacity of its facilities is insufficient to transport all volumes of natural gas tendered for transportation by Shippers, TransColorado shall allocate the available transportation capacity on the basis set forth below.

(a) The quantities of gas to be transported shall be scheduled no later than the day before gas flows ("scheduling day"). The following procedure shall be utilized to schedule transportation on TransColorado's System:

Seventh Revised Sheet No. 230 Seventh Revised Sheet No. 230 : Superseded
Superseding: Sixth Revised Sheet No. 230

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES

Nominations must be submitted to TransColorado through TransColorado's Interactive Website, or such other electronic means as are mutually agreed upon by TransColorado and Shipper. The sending party should adhere to nomination, confirmation and scheduling deadlines. The receiving party may waive any submittal deadline in this Section 8 or as outlined in the applicable NAESB standards.

8.1 Priority of Service. Shippers shall be entitled to transportation service subject to the availability of pipeline capacity on TransColorado's system in the following order of declining priority:

(a) The order for scheduling transportation services is as follows:

(i) Firm service at primary points and primary paths (scheduled pro rata based on maximum daily quantity);

(ii) Firm service at secondary points (scheduled pro rata based on nominations).

(1) Secondary firm service within the primary path.

(2) Secondary firm service outside the primary path.

Scheduling of receipt and delivery points will be prorated based on nominations with points within the primary path scheduled before points outside the primary path.

(iii) Interruptible service, authorized overrun service and parking and loaning service, prorated on the basis rate paid from highest to lowest (scheduled by rate, then prorated on the basis of nominations).

(1) Where two or more Shippers are paying the same rate, available capacity will be awarded to those Shippers paying the same rate in equal amounts up to the level requested. This procedure will continue until (1) all requests are filled or (2) all available capacity is utilized.

(b) Released capacity has the same priority as non-released capacity.

(c) Firm intra-day nominations are entitled to bump scheduled interruptible volumes only during the evening and intra-day 1 nomination cycles, as defined in this Section 8. Firm intra-day nominations are

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FERC Docket: RP00-459-002

Original Sheet No. 230A Original Sheet No. 230A : Superseded

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES - (Continued)

not entitled to bump already scheduled firm volumes. Interruptible service intra-day nominations are not entitled to bump already scheduled interruptible service volumes.

(d) Park and Loan Service (PALS) scheduled pro rata based on highest revenue commitment.

8.2 Scheduling of Gas Receipts and Deliveries. This Section 8.2 applies to the operation of TransColorado's System and sets forth the procedures for scheduling of receipts and deliveries under Transportation Service Agreements pursuant to this Tariff. If on any day TransColorado should determine that the transportation capacity of its facilities is insufficient to transport all volumes of natural gas tendered for transportation by Shippers, TransColorado shall allocate the available transportation capacity on the basis set forth below.

(a) The quantities of gas to be transported shall be scheduled no later than the day before gas flows ("scheduling day"). The following procedure shall be utilized to schedule transportation on TransColorado's System:

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FERC Docket: GT00- 25-000

Second Revised Sheet No. 231 Second Revised Sheet No. 231 : Superseded
Superseding: First Revised Sheet No. 231

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

Scheduling Day. Each scheduling day, Shippers shall request transportation and cause the Operators to make confirmations of supply or downstream capacity. When necessary, the capacity allocation procedure set forth in Section 8.1 of these General Terms and Conditions shall be followed. TransColorado shall communicate electronically or via facsimile to the Shippers and Operators the scheduled quantities and any additional capacity availability.

Unless otherwise agreed, the following timeline shall apply for scheduling of receipts and deliveries on scheduling day:

(i) by 11:30 a.m. CCT - nominations must leave control of Shipper;

(ii) by 11:45 a.m. CCT - nominations must be received by TransColorado;

(iii) by 12:00 p.m. CCT - TransColorado provides quick response to scheduling requests;

(iv) by 3:30 p.m. CCT - TransColorado receives completed confirmations from upstream and downstream connected parties; and

(v) by 4:30 p.m. CCT - Shippers and Operators receive confirmation of scheduled quantities.

(b) Flow Day. Shippers shall cause the Operators to tender the scheduled quantities of natural gas to TransColorado at Receipt Points, plus volumes to be retained by TransColorado for fuel as provided for in the applicable transportation rate schedule, and TransColorado shall deliver the scheduled quantities of natural gas, for Shippers' accounts, at Delivery Points.

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FERC Docket: RP02-328-000

Third Revised Sheet No. 231A Third Revised Sheet No. 231A : Superseded
Superseding: Second Revised Sheet No. 231A

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

(c) Intra-day Procedures

(i) Intra-day Scheduling: Shippers may each day submit intra-day scheduling requests in accordance with the applicable NAESB standards. Intra-day scheduling requests may be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled gas. TransColorado will schedule such requests using the allocation priorities established in Section 8.1.

Shippers may submit an intra-day request for transportation of additional quantities of gas. Shippers shall cause the Operator to make corresponding confirmations of supply and downstream capacity. Such scheduling may change the prior sequencing of deliveries. TransColorado shall communicate electronically or via facsimile the final scheduling of additional quantities of gas to Shippers and Operators in compliance with the applicable NAESB standards.

In addition, Shippers may reduce previously scheduled quantities of gas. Shippers shall cause the Operator to make corresponding confirmations of reduced supply and downstream capacity. TransColorado shall communicate electronically or via facsimile the reduction of scheduled quantities to Shippers and Operators in compliance with the applicable NAESB standards.

Requests for additional capacity and requests for reductions in previously scheduled volumes must be made electronically. In the event an unexpected capacity constraint occurs, TransColorado shall interrupt or curtail capacity in accordance with the applicable provisions of Section 8.3.

(ii) Section 284.10(c)(1)(i)(A): In compliance with the Commission's Regulations, TransColorado will (1) give

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Second Revised Sheet No. 231B Second Revised Sheet No. 231B : Superseded
Superseding: First Revised Sheet No. 231B

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

scheduling priority to an intra-day nomination submitted by a firm shipper over nominated and scheduled volumes for interruptible shippers, (2) provide the interruptible shipper with advance notice of any reduction resulting from an intra-day nomination, and (3) notify the bumped shipper whether penalties will apply on the day its volumes are reduced.

(iii) Bumping Notice Procedures: TransColorado will notify shippers that have been bumped during the intra-day scheduling process through Scheduled Quantity documents as posted on TransColorado's Interactive Web Site, telephone or telefax. Additionally, TransColorado will provide notification, at the shipper's option, through the following channels: via e-mail to up to two e-mail addresses provided by the shipper or via standard GISB EDI/EDM

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Eighth Revised Sheet No. 232 Eighth Revised Sheet No. 232 : Superseded
Superseding: Seventh Revised Sheet No. 232

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

(d) Operating conditions may, from time to time, cause a temporary and unintentional imbalance between the quantities of natural gas that TransColorado receives and the quantities of natural gas that Shipper takes under the executed Transportation Service Agreement. Shipper shall schedule gas attributable to imbalances when TransColorado, in its reasonable discretion and in a nondiscriminatory manner, determines that it can practicably receive or deliver such imbalance.

(e) So as to avoid measurement problems relative to small volumes and disproportionate administrative burdens, TransColorado shall not be obligated to accept for the account of Shipper from any receipt point a quantity of gas that is less than fifteen (15) dth per day.

(f) In the event of any occurrence (e.g., computer failure), which prevents TransColorado from utilizing the process set forth above for the duration of such occurrence, TransColorado shall schedule the lesser of the last new request received and confirmed or the previously scheduled quantities. Notice of the commencement and termination of any such occurrence shall be posted on the Informational Postings portion of its Interactive Website.

(g) Shipper shall use reasonable efforts to deliver and receive gas at reasonable hourly and daily rates of flow.

(h) The rights of a releasing shipper to recall capacity within any nomination cycle shall be governed by Section 6.14 of these General Terms and Conditions.

8.3 Interruption and Curtailment of Service. If, on flow day, an interruption of service occurs which requires a reallocation of previously scheduled capacity, interruption or curtailment of service shall be instituted in the following sequence:

(a) Interruptible service, authorized overrun service and parking and loaning service.

(b) all firm transportation service at primary and alternate points.

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

8.4 TransColorado shall have the right, without liability to Shipper, to interrupt or curtail the transportation of gas for Shipper for reasons of force majeure; or when necessary, to test, alter, modify, enlarge or repair any facility or property comprising a part of, or appurtenant to, TransColorado's pipeline system, or otherwise related to the operation thereof. TransColorado shall endeavor to cause a minimum of inconvenience to Shipper because of such interruptions.

8.5 Pooling. TransColorado shall provide at least one pool for purposes of facilitating the aggregation and disaggregation of gas received into its system. The process of aggregating and disaggregating gas receipts shall be deemed pooling.

8.6 Delegation. A Shipper may delegate to any third party responsibility for submitting and receiving notices or nominations or performing other administrative duties under any agreement, subject to the following conditions:

(a) Any designation of such a representative, and any change in such designation, must be in writing and must be submitted at least two (2) business days prior to the requested effective date.

(b) The written designation shall specify any limits on the authority of the representative, including any time limit on the designation; provided, however, that TransColorado may reject any such limited designation if the limitations specified in the designation would result in an undue administrative burden.

(c) TransColorado may rely on communications from Shipper's designated representative for all purposes except to the extent the designation is explicitly limited as specified in the preceding Section 8.6(b). Communications by TransColorado to such designated representative shall be deemed notice to Shipper except to the extent the representative's authority is explicitly limited with respect to the receipt of notice under the procedure set out in said Section 8.6(b).

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FERC Docket: RP01-419-000

Second Revised Sheet No. 233A Second Revised Sheet No. 233A : Suspended
Superseding: First Revised Sheet No. 233A

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

(d) Any third party may administer multiple transportation agreements as the designated representative for one or more Shippers. However, such representative shall separately administer and account for each such Agreement.

8.7 Transfer Nominations. Whenever gas is purchased at a Receipt Point (including a pooling point) on TransColorado's system by an entity that is not going to nominate that gas for receipt by TransColorado under a Transportation Agreement, that entity must submit a transfer nomination to TransColorado through its Interactive Website (or EDI), identifying the quantities (in Dth) and the entities from whom the gas is being bought and the entities to whom the gas is being sold. Such transfer nominations are needed in order to be able to confirm the nominated receipts at that point and thus such transfer nominations are due by the deadlines applicable to Shipper nominations.

8.8 Nomination Priorities. As part of the nomination and transfer nomination process, if there is more than one supply source nominated to be delivered to a single delivery point or buyer, the nomination or transfer nomination should identify how and which supply sources should be cut in the event all nominated deliveries are not or cannot be made. Similarly, the nomination or transfer nomination should identify which delivery should be cut in the event gas is not or cannot be received as nominated (i.e., ranking). Ranking should be included in the list of data elements. Transportation service providers should use service requester provided rankings when making reductions during the scheduling process when this does not conflict with tariff-based rules.

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Third Revised Sheet No. 233A Third Revised Sheet No. 233A : Superseded
Superseding: Second Revised Sheet No. 233A

GENERAL TERMS AND CONDITIONS

8. NOMINATIONS/SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

(d) Any third party may administer multiple transportation agreements as the designated representative for one or more Shippers. However, such representative shall separately administer and account for each such Agreement.

8.7 Transfer Nominations.

(a) Whenever gas is purchased at a Receipt Point (including a pooling point) on TransColorado's system by an entity that is not going to nominate that gas for receipt by TransColorado under a Transportation Agreement, that entity must submit a transfer nomination to TransColorado through its Interactive Website or EDI, identifying the quantities (in Dth) and the entities from whom the gas is being bought and the entities to whom the gas is being sold. Such transfer nominations are needed in order to be able to confirm the nominated receipts at that point and thus such transfer nominations are due by the deadlines applicable to Shipper nominations.

(b) A third party may provide title tracking services on TransColorado's system as follows:

(1) The entity seeking to provide such a service (Third Party Account Administrator) shall so notify TransColorado in writing, in which event TransColorado shall establish an identification number for nominations involving the Third Party Account Administrator,

(2) Transfer nominations consistent with this section must be made by the Shipper tendering gas for delivery to the Third Party Account Administrator, where subsequent title to such gas is to be tracked by the Third Party Account Administrator; and

(3) The Third Party Account Administrator shall maintain records of any title transfers after delivery of gas to it and shall submit a nomination consistent with this section for delivery of gas to the last party in the chain of title, which party shall also submit a nomination for receipt of the gas, consistent with this section.

8.8 Nomination Priorities. As part of the nomination and transfer nomination process, if there is more than one supply source nominated to be delivered to a single delivery point or buyer, the nomination or transfer nomination should identify how and which supply sources should be cut in the event all nominated deliveries are not or cannot be made. Similarly, the nomination or transfer nomination should identify which delivery should be cut in the event gas is not or cannot be received as nominated (i.e., ranking). Ranking should be included in the list of data elements. Transportation service providers should use service requester provided rankings when making reductions during the scheduling process when this does not conflict with tariff-based rules.

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FERC Docket: GT00- 25-000

First Revised Sheet No. 234 First Revised Sheet No. 234 : Superseded

Superseding: Original Sheet No. 234

GENERAL TERMS AND CONDITIONS

9. USE OF RECEIPT AND DELIVERY POINTS

9.1 Designation of primary receipt and delivery points. Shipper's primary receipt points must be assigned by the Shipper to corresponding delivery points, subject to available capacity. The total capacity assigned to Shipper's receipt points must equal the total capacity assigned to the corresponding delivery point(s). The capacity must equal the CD shown in Shipper's Rate Schedule FT service agreements. Fuel reimbursement is required in addition to these volumes pursuant to Section 3.1(c) of Rate Schedule FT and Section 3.1(b) of Rate Schedule IT.

9.2 Adding and deleting points or changing capacity at primary receipt and delivery points. A firm Shipper may add and delete primary receipt and delivery points and increase or decrease its total capacity at primary receipt and delivery points subject to available capacity by amending its Transportation Service Agreement. If TransColorado and Shipper mutually agree, a firm Shipper may change primary receipt or delivery points by returning to TransColorado an equivalent amount of capacity at one or more existing receipt or delivery points.

9.3 Flexible use of alternate receipt and delivery points. A firm Shipper, or any Acquiring Shipper, may flex to or use any receipt or delivery point located within the path of the service for which the Shipper is paying at which capacity is available on an alternate basis. However, an Acquiring Shipper may not add or delete primary receipt and delivery points or change Shipper's total capacity at primary receipt and delivery points unless the terms of Shipper's release allow for such.

9.4 Priority at alternate receipt and delivery points. A Shipper's priority at alternate points shall be determined according to Section 8 of these General Terms and Conditions.

9.5 Nominations to and rights of firm and Acquiring Shippers at alternate points. A firm or Acquiring Shipper must follow TransColorado's nomination procedures to flex to alternate receipt and delivery points. A firm or Acquiring Shipper's right to service at alternate receipt and delivery points shall be subordinate to the primary rights of other firm Shippers at those points, but as provided by Section 8, will have priority over interruptible transportation and authorized overrun service.

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FERC Docket: RP01-419-000

Third Revised Sheet No. 235 Third Revised Sheet No. 235 : Suspended

Superseding: Second Revised Sheet No. 235

GENERAL TERMS AND CONDITIONS

9. USE OF RECEIPT AND DELIVERY POINTS (Continued)

9.6 Availability of receipt and delivery point information. Shippers may obtain information through the Informational Postings portion of TransColorado's Interactive Website regarding its ability to provide transportation service at the receipt and delivery points desired by the Shipper.

9.7 Discounted Transportation Rates. Previously discounted firm transportation rates for primary receipt and delivery points will not apply to service at alternate points. Unless otherwise agreed to in writing by TransColorado, Shipper shall pay the maximum FT reservation and usage charges for service nominated at the alternate points. In addition, if primary receipt and delivery points are changed, the maximum FT reservation and usage charges shall apply at the new receipt or delivery point, unless TransColorado otherwise agrees in writing.

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Fourth Revised Sheet No. 235 Fourth Revised Sheet No. 235 : Superseded
Superseding: Third Revised Sheet No. 235

GENERAL TERMS AND CONDITIONS

9. USE OF RECEIPT AND DELIVERY POINTS (Continued)

9.6 Availability of receipt and delivery point information.
Shippers may obtain information through the Informational Postings portion of TransColorado's Interactive Website regarding its ability to provide transportation service at the receipt and delivery points desired by the Shipper.

9.7 Discounted Transportation Rates. Unless inconsistent with the transportation service agreement (or related discount agreement), a Shipper may submit a request in writing to TransColorado that the discount under that service agreement (or related discount agreement) be retained at an alternate receipt or delivery point (whether through segmentation, capacity release or exercise of flexible point rights).

TransColorado will respond on a reasonable efforts basis, to any such request submitted by 4:00 p.m., CCT on a Business Day within two (2) hours; provided that requests received between 4:00 p.m. CCT on a Business Day and 9:00 a.m. CCT on the following Business Day will be deemed to have been received by 9:00 a.m. CCT, and TransColorado will respond to such requests by 11:00 a.m., CCT. Further, if the discount is to be effective more than 24 hours in the future, TransColorado will respond within two (2) Business Day or two (2) hours prior to the time timely nominations are due for the day on which the discount is to be effective, whichever is sooner. TransColorado's evaluation of the request will be based on the similarly situated test. If TransColorado grants the request to provide a discount at an alternate point where the existing contract does not cover the applicable rate provision at that alternate point, the rate applicable to the alternate point shall be the higher of the discount under the service agreement (or related discount agreement) of the Shipper requesting the discount or the discount being provided at the alternate point to similarly situated Shippers.

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First Revised Sheet No. 236 First Revised Sheet No. 236 : Superseded
Superseding: Original Sheet No. 236

GENERAL TERMS AND CONDITIONS

10. MEASUREMENT

10.1 Unit of Measurement and Metering Base. The volumetric measurement base shall be one cubic foot of gas at a pressure base of 14.73 psia, at a temperature base of 60 degrees Fahrenheit, without adjustment for water vapor.

10.2 Atmospheric Pressure. For the purpose of measurement, the atmospheric pressure shall be the barometric pressure calculated for the elevation at the point of measurement.

10.3 Temperature. The temperature of the gas shall be determined at the points of measurement by means of a properly installed recording thermometer or continuous electronic transducer input to a computer that conforms to A.P.I. Standard 21.1 installed in accordance with the recommendations contained in ANSI/API 2530 (Orifice Metering of Natural Gas), as amended from time to time. The arithmetic average of temperatures for each day shall be used in computing temperatures of the gas during such day for conventional chart measurement. When electronic computer measurement is used, average daily temperature will be computed as a running average of data determined by computer scan.

10.4 Determination of Gross Heating Value and Specific Gravity. Where TransColorado elects to install electronic computer measurement equipment and field chromatographs, the determination of gross heating value and specific gravity shall be made from the composition by calculation using physical gas constants for gas compounds as outlined in GPA Standard 2145 (Table of Physical Constants of Paraffin Hydrocarbons and Other Components of Natural Gas) with any subsequent amendments or revisions that TransColorado may adopt.

Where TransColorado elects to install conventional chart measurement, the arithmetic average of the hourly heating value and specific gravity recorded during periods of flow each day by a recording calorimeter and gravitometer or recording chromatograph, if installed, shall be considered as the gross heating value and specific gravity of the gas delivered during each day. If a continuous gas sampling device is used, determinations shall be made not less than once every month. Such determinations shall be considered as the gross heating value and specific gravity of all gas delivered during the applicable sampling period.

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First Revised Sheet No. 237 First Revised Sheet No. 237 : Superseded

Superseding: Original Sheet No. 237

GENERAL TERMS AND CONDITIONS

10. MEASUREMENT (Continued)

Gross heating values and specific gravities determined from spot samples will be used in calculating gas delivered for the day on which the test is made and all following days until the next test is made.

10.5 Supercompressibility. All orifice meter volumes shall be corrected for deviations from the ideal gas laws in accordance with the applicable American Gas Association reports. Where displacement meters are used, the square of the orifice meter supercompressibility factor shall be applied.

10.6 Measuring Equipment. Unless otherwise agreed upon, TransColorado will install, maintain and operate or cause to be installed, maintained and operated measuring stations equipped with flow meters and other necessary metering and measuring equipment by which volumes of gas received and equivalent volumes delivered shall be determined. Operator may install check measuring equipment at its own cost and expense; provided such equipment shall be installed in a manner not to interfere with the operations of TransColorado.

TransColorado and Operator, in the presence of each other, shall have access to the other's measuring equipment at all reasonable times but the reading, calibrating and adjusting electronic computer components and/or mechanical recording instruments and the changing of charts shall be done only by the equipment owner or such owner's representative, unless otherwise agreed upon.

Both TransColorado and Operator shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment; provided, however, failure of either TransColorado or Shipper to witness such an operation shall not affect the validity of such operation in any way.

The records from such measuring equipment shall remain the property of the party owning the equipment, but within 10 days of a request, each will submit to the other for inspection its records and charts, together with related calculations. All records and charts shall be returned within 30 days after receipt.

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First Revised Sheet No. 238 First Revised Sheet No. 238 : Superseded

Superseding: Original Sheet No. 238

GENERAL TERMS AND CONDITIONS

10. MEASUREMENT (Continued)

The measurement equipment of Shipper shall be for check purposes only and, except as expressly provided in these General Terms and Conditions, shall not be used in the measurement of gas.

10.7 Orifice Meters. All orifice meters shall be installed and gas volumes computed in accordance with the standards prescribed in ANSI/API 2530 (Orifice Metering of Natural Gas), which incorporates Gas Measurement Committee Report #3 of the American Gas Association, September 1992, revised and reprinted, and any subsequent amendments TransColorado may adopt.

10.8 Non-Interference. In order to avoid interference with the operation of the primary measurement facilities, custody transfer meter run taps will not be shared or used for other than custody transfer by the operating company.

10.9 Square Root Error. Pulsation filters or other remedial equipment may be required by TransColorado or the Operator upon the occurrence of unacceptable square root error ("SRE") or gauge line error. Unacceptable SRE is defined to be equal to or greater than 0.5% SRE.

In the event of a disagreement between TransColorado and the Operator on the source and degree of error, Southwest Research Institute, or a mutually agreeable replacement, will be requested to determine the source and degree of error. The party deemed responsible for the pulsation source will incur all costs for the consultation, along with the installation and remedial devices or filtering equipment as necessary.

10.10 Electronic Flow Computers. TransColorado may install electronic flow computers to permit the direct computation of gas flows without the use of charts.

10.11 New Measurement Techniques. If, at any time, a new method or technique is developed with respect to gas measurement or the

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First Revised Sheet No. 239 First Revised Sheet No. 239 : Superseded

Superseding: Original Sheet No. 239

GENERAL TERMS AND CONDITIONS

10. MEASUREMENT (Continued)

determination of the factors used in such gas measurement, such new method or technique may be substituted by TransColorado. TransColorado shall promptly inform all shippers of any new techniques adopted.

10.12 Calibration and Test of Meters. The accuracy of all measuring equipment shall be verified by TransColorado at reasonable intervals, and if requested, in the presence of a representative of Shipper, but neither Shipper nor TransColorado shall be required to verify the accuracy of such equipment more frequently than once in a 30-day period. If either party at any time desires a special test of any measuring equipment, it will promptly notify the other, and the parties shall then cooperate to secure a prompt verification of the accuracy of such equipment. Shipper shall bear the costs of any special test requested by Shipper unless the measuring equipment is found to be inaccurate by 2% or more.

10.13 Correction of Metering Errors. If, upon any test, any measuring equipment is found to be inaccurate, such equipment shall be adjusted immediately to measure accurately. If, upon any test, the measuring equipment in the aggregate is found to be inaccurate by two percent (2%) or more at a recording corresponding to the average hourly rate of gas flow for the period since the last preceding test, any payments based upon inaccurate measurement shall be corrected pursuant to Section 13 of these General Terms and Conditions at the rate of such inaccuracy for any period that is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one half of the time elapsed since the date of the last test.

10.14 Failure of Measuring Equipment. In the event any measuring equipment is out of service or is found registering inaccurately and the error is not determinable by test, or by previous recordings, receipts or deliveries through such equipment shall be estimated and agreed to by the parties upon the first of the following methods that is feasible:

(a) By correcting the error if the percentage of error is ascertainable by calibration, special test, or mathematical calculation, or, in the absence of (a);

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Third Revised Sheet No. 240 Third Revised Sheet No. 240 : Superseded

Superseding: Second Revised Sheet No. 240

GENERAL TERMS AND CONDITIONS

10. MEASUREMENT (Continued)

(b) By using the registration of any check meter or meters, if installed and accurately registering, or, in the absence of (a) and (b); and

(c) By estimating the quantity of gas received or delivered based on receipts or deliveries during preceding periods under similar conditions when the measuring equipment was registering accurately.

10.15 Preservation of Records. Operator and TransColorado shall preserve for a period of at least three years, or for such longer period as may be required by appropriate authority, test data, charts or other similar records.

10.16 Pressure Requirements.

(a) Operator shall deliver gas to TransColorado at the receipt points at a pressure sufficient to allow the gas to enter TransColorado's pipeline as such pressure shall vary from time to time. TransColorado shall not be required to compress natural gas into its pipeline. Shipper shall provide equipment at each receipt point that is acceptable to TransColorado to prevent overpressuring TransColorado's pipeline.

(b) TransColorado shall deliver gas at each delivery point at the pressure that is available from time to time in TransColorado's pipeline after required measurement, flow control or regulation.

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FERC Docket: GT00- 25-000

First Revised Sheet No. 241 First Revised Sheet No. 241 : Superseded

Superseding: Original Sheet No. 241

GENERAL TERMS AND CONDITIONS

11. QUALITY OF GAS

All natural gas received by TransColorado shall conform to the following specifications and must be, in TransColorado's reasonable judgment, otherwise merchantable.

11.1 Heat Content. The gas shall have a heating value of not less than 967 Btu per cubic foot.

11.2 Liquids. The gas shall be free of water and hydrocarbons in liquid form at the temperature and pressure at which the gas is delivered. The gas shall in no event contain water vapor in excess of seven (7) pounds per million standard cubic feet.

11.3 Hydrocarbon Dew Point. The hydrocarbon dew point of the gas delivered shall not exceed twenty degrees Fahrenheit (20°F) at a pressure of 600 psig.

11.4 Total Sulfur. The gas shall not contain more than three-quarters (0.75) grain of total sulfur per one hundred (100) standard cubic feet, which includes hydrogen sulfide, carbonyl sulfide, carbon disulfide, mercaptans, and mono-, di- and poly-sulfides. The gas shall also meet the following individual specifications for hydrogen sulfide, mercaptan sulfur or organic sulfur:

(a) Hydrogen Sulfide. The gas shall not contain more than one-quarter (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet.

(b) Mercaptan Sulfur. The mercaptan sulfur content shall not exceed more than three-tenths (0.3) grain per one hundred (100) standard cubic feet.

(c) Organic Sulfur. The organic sulfur content shall not exceed five-tenths (0.5) grain per one hundred (100) standard cubic feet, which includes mercaptans, mono-, di- and poly-sulfides, but it does not include hydrogen sulfide, carbonyl sulfide or carbon disulfide.

11.5 Oxygen. The oxygen content shall not exceed two-tenths of one percent (0.2%) by volume and every reasonable effort shall be made to keep the gas delivered free of oxygen.

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First Revised Sheet No. 242 First Revised Sheet No. 242 : Superseded
Superseding: Original Sheet No. 242

GENERAL TERMS AND CONDITIONS

11. QUALITY OF GAS (Continued)

11.6 Dust, Gums and Solid Matter. The gas shall be commercially free from solid matter, dust, gums, and gum forming constituents, or any other substance which interferes with the intended purpose or merchantability of the gas, or causes interference with the proper and safe operation of the lines, meters, regulators, or other appliances through which it may flow.

11.7 Temperature. The gas shall be delivered at temperatures not in excess of one hundred five degrees Fahrenheit (105°F) nor less than fifty degrees Fahrenheit (50°F) except where, due to normal operating conditions and ambient temperatures on the pipeline System, the temperature may periodically drop below such lower limit.

11.8 Deleterious Substances. The gas shall not contain any toxic or hazardous substance in concentrations which, in the normal use of the gas, may be hazardous to health, injurious to pipeline facilities or be a limit to merchantability.

11.9 Inert Substances. The gas shall not contain inert substances (carbon dioxide, nitrogen, helium, oxygen, and any other diluent compound) of more than three percent by volume of which not more than two percent shall be CO₂.

11.10 Operators Failure to Meet Specifications. If, at any time, gas tendered by Shipper for transportation shall fail to substantially conform to any of the applicable quality specifications set forth in this Section and TransColorado notifies Shipper of such deficiency and Shipper fails to remedy any such deficiency within a reasonable period of time (immediately in those situations which threaten the integrity of TransColorado's system), TransColorado may, at its option, refuse to accept delivery pending correction of the deficiency by Shipper or continue to accept delivery and make such changes necessary to cause the gas to conform to such specifications, in which event Shipper shall reimburse TransColorado for all reasonable expenses incurred by TransColorado in effecting such changes, including operational and gas costs associated with purging and/or venting the pipeline. Failure by Shipper to tender quantities that conform to any of the applicable quality specifications shall not be construed to eliminate, or limit in

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First Revised Sheet No. 243 First Revised Sheet No. 243 : Superseded

Superseding: Original Sheet No. 243

GENERAL TERMS AND CONDITIONS

11. QUALITY OF GAS (Continued)

any manner, the obligations of Shipper existing under any other provisions of the executed Transportation Service Agreement. In the event natural gas is delivered into TransColorado's system that would cause the natural gas in a portion of TransColorado's pipeline to become unmerchantable, then TransColorado is permitted to act expediently to make the gas merchantable again by any and all reasonable methods, including, without limitation, to venting the pipeline of whatever quantity of natural gas necessary to achieve a merchantable stream of gas. Shipper shall reimburse TransColorado for all reasonable expenses incurred by TransColorado to obtain merchantable natural gas again, including operational and gas costs associated with venting the pipeline. In such cases, TransColorado shall promptly notify Shipper of the non-conforming supply and any steps taken to protect the merchantability of the gas.

11.11 Quality of TransColorado's Deliveries. TransColorado shall deliver to Shipper or for Shipper's account gas that is of merchantable quality.

11.12 Commingling. Gas received from Shipper will be commingled with the gas of other Shippers in the System. Accordingly, the gas of Shipper shall be subject to such changes in gross heating value per cubic foot and other specifications as may result from such commingling.

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Third Revised Sheet No. 244 Third Revised Sheet No. 244 : Superseded
Superseding: Second Revised Sheet No. 244

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS

12.1 General Provision. Shipper shall monitor and control its receipts and deliveries of gas and, if necessary, make appropriate adjustments in order to maintain a thermal balance of receipts and deliveries. TransColorado shall not be obligated to receive or deliver gas that differs from the confirmed nomination between Shipper and TransColorado.

TransColorado shall monitor, to the extent of its ability, receipts and deliveries of gas as compared to quantities nominated by Shipper, and, based upon available information, advise Shipper of any imbalances. Upon notification, Shipper shall be obligated to adjust its receipts and deliveries to correct or avoid any imbalance between nominations and actual receipt or delivery. Any adjustment to receipts and deliveries by Shipper, whether or not pursuant to notification from TransColorado, shall be coordinated with TransColorado's gas representatives and in accordance with the TransColorado's scheduling procedures.

12.2 Balancing Upon Termination. In the event the quantities of gas received and delivered are not in balance at the end of the term of the service agreement, then such balance shall be achieved at the earliest practicable date, not to exceed 45 days after the imbalance is determined by extending receipts or deliveries, as applicable, at the appropriate point(s) of receipt or point(s) of delivery, until such balance is achieved, or by such other method as is then mutually agreed upon by TransColorado and Shipper.

12.3 Maintenance of System Integrity. Nothing in this section limits TransColorado's right to take action that may be required to adjust receipts and deliveries of gas in order to alleviate conditions that threaten the integrity of its system, including maintenance of service to higher-priority customers.

12.4 Imbalances with the Other Parties. TransColorado shall not be responsible for eliminating any imbalances between Shipper and any third party. Furthermore, TransColorado shall not be obligated to adjust or deviate from its standard operating and accounting procedures in order to alleviate any such imbalances.

12.5 Netting and Trading

(a) Imbalances under a Shipper's different Agreements will be netted together to obtain the Shipper's Total Monthly Imbalance. The Total Monthly Imbalance will be shown with the monthly billings sent to Shippers.

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Third Revised Sheet No. 245 Third Revised Sheet No. 245 : Superseded
Superseding: Second Revised Sheet No. 245

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(b) To assist Shippers in arranging offsets, TransColorado will post on its Interactive Website the total Monthly Imbalance of any Shipper which has notified TransColorado that it has elected to have such information posted. Notification by the Shipper may be in writing or on TransColorado's Interactive Website and shall be effective by 8:00 a.m. on the next Business Day if the notification is received by 11:45 a.m. on a Business Day. Imbalance information authorized for posting through such notification shall be posted no later than the ninth Business Day of the month after the imbalance occurred. Shippers shall have the ability to post and trade imbalances, and imbalance information shall remain posted, until the seventeenth Business Day of the month after the imbalance occurred.

(c) TransColorado shall enable the imbalance trading process by:

- (1) Receiving the Request for Imbalance Trade.
- (2) Receiving the Imbalance Trade Confirmation.
- (3) Sending the Imbalance Trade Notification and
- (4) Reflecting the trade prior to or on the next monthly Shipper Imbalance or cashout.

(d) Imbalance trades can only be withdrawn by the initiating trader and only prior to the confirming trader's confirmation of the trade. Imbalance trades are considered final when confirmed by the confirming trader and effectuated by TransColorado.

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(e) After receipt of an Imbalance Trade Confirmation, TransColorado shall send the Imbalance Trade Notification to the initiating trader and the confirming trader no later than noon the next Business Day.

(f) Shipper imbalances remaining after the imbalance netting and trading procedures set out in subsections (a)-(e) shall be cashed out as described in Section 12.6 of these General Terms and Conditions.

12.6 Cashout Procedures

(a) Any imbalance remaining will be cashed out on a tiered basis, pursuant to the following schedule. In determining the cashout tier applicable, TransColorado will utilize the operational data posted on its Interactive Website as of the end of the month or the actual flow volumes, whichever results in a lower cashout tier.

Imbalance Level	Overage (TransColorado pays Shipper)	Underage (Shipper pays TransColorado)
0% to 5%	100% x MIP*	100% x MIP
Greater than 5% to 10%	90% x MIP	110% x MIP
Greater than 10% to 15%	80% x MIP	120% x MIP
Greater than 15% to 20%	70% x MIP	130% x MIP
Greater than 20%	60% x MIP	140% x MIP

*Monthly Index Price

(b) Following any offsetting with other Shippers, a Shipper's remaining imbalance will be cashed out based on the percentage of that imbalance compared to the total receipts for that Shipper during the month. For example, if the total receipts were 1,000 Dth and the remaining underage imbalance after offsetting with other Shippers was 100 Dth, the total imbalance level would be 10%. The first 5% (50 Dth) would be cashed out at 100% of the MIP and the remaining 50 Dth would be cashed out at 110% of the MIP.

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Fourth Revised Sheet No. 246 Fourth Revised Sheet No. 246 : Superseded
Superseding: Third Revised Sheet No. 246

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(c) The Monthly Index Price (MIP) will be based on the prices reported in the publications listed below, starting with the issue dated on or after TransColorado's nomination deadline for the first of the month service for that month, and the subsequent issues dated prior to TransColorado's nomination deadline for the following month's first of the month service.

(i) For gas owed TransColorado, the Inside FERC's Gas Market Report, first of the month index for El Paso Natural Gas, San Juan Basin, as published by McGraw-Hill Companies, will apply to the negative imbalance for the month in which the imbalance occurred.

(ii) For gas owed the Shipper, the Inside FERC's Gas Market Report, first of the month index for Questar Pipeline Co., Rocky Mountain Index, as published by McGraw-Hill Companies, will apply to the positive imbalance for the month in which the imbalance occurred.

(d) Following the ten-day period for offsetting imbalances, Shippers with remaining imbalances shall pay TransColorado or will be credited with the appropriate cashout amounts, unless otherwise agreed to in writing by TransColorado.

(e) In the event Inside FERC's Gas Market Report ceases to publish entirely or fails to publish the index prices listed in subsection (c) above, the following procedures shall apply in determining a MIP.

(i) For gas owed TransColorado, the highest of the Midpoint prices for New Mexico San Juan Basin, El Paso, Non-Bondad, for each week (or the superseding reference if the publication titling is revised), as published in Gas Daily, as published by Financial Times Energy will apply for make-up of gas of any negative imbalance for the month in which the imbalance occurred.

(ii) For gas owed the Shipper, the lowest of the Midpoint prices, for Rockies, Questar, for each week (or the superseding reference if the publication titling is revised), as published in Gas Daily, as published by Financial Times Energy will apply for make-up of gas of any positive imbalance for the month in which the imbalance occurred.

12.7 Assessment of Imbalances. TransColorado will not assess imbalances if (a) Shipper's action is excused by force majeure, (b) TransColorado has invoked force majeure, (c) imbalances are caused by TransColorado or result from TransColorado's error or (d) TransColorado has previously imposed and Shipper has previously paid imbalance charges on the quantities of gas comprising the imbalance amount.

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Third Revised Sheet No. 246 Third Revised Sheet No. 246 : Suspended
Superseding: Second Revised Sheet No. 246

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

12.7 Netting and Trading

(a) Within twenty days after month end, TransColorado will notify Shipper of its monthly imbalance. Imbalances may be traded and netted as long as it reduces the imbalance to TransColorado.

(b) If trading among Shipper's transportation agreements on the same system are not used to cure the imbalance, the Shipper's imbalance will be posted on the Informational Postings portion of TransColorado's Interactive Website, unless Shipper requests that postings not be made, and for the remainder of that month, or at least ten days, those imbalances may be traded or netted. To consummate a trade, both trading parties must inform TransColorado via the electronic bulletin board or fax of their agreement to trade and their desire for TransColorado to offset the imbalances. Trades will be permitted as long as the Shippers have imbalances in opposite directions. After receiving notices from both trading parties, TransColorado will reflect the trade by posting adjusted imbalances on the Informational Postings portion of its Interactive Website

12.8 Unauthorized Overrun

(a) TransColorado shall levy a charge to any Operator that exceeds the limits specified below. Such charge is applicable in times of capacity constraints, or when Operators act in a manner that materially threatens the integrity of TransColorado's System (e.g. under-performance or over-performance that causes significant pressure declines or buildups).

(b) On any day TransColorado determines that it is unable to receive or deliver the total volume of gas scheduled on its System or a portion of its System, it shall have the right to notify all Operators of a Critical System Alert. Contemporaneously with, or shortly following such notice, TransColorado shall give notice to any Operator that would be subject to an Unauthorized Overrun Charge as provided below.

(c) The quantity of gas subject to such charge is the quantity of gas that varies from the amount scheduled at that receipt or delivery point on such days.

(d) Upon receipt of a notification from TransColorado, the Operator shall, within four hours, reduce takes to a level no more than 5% above the scheduled volume for such day or 50 dth, whichever is larger. If after the four hour notice period:

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

In determining imbalances, TransColorado shall take into consideration (a) quantities retained for fuel and lost and unaccounted-for gas and (b) additional quantities transported pursuant to any agreed-upon action. TransColorado and Shipper may mutually agree to offset excess or deficient quantities delivered under other Transportation Service Agreements between TransColorado and Shipper.

All cashout charges shall be invoiced according to Section 13 to these General Terms and Conditions.

12.8 Third Party Imbalance Management. TransColorado will allow Shippers to obtain imbalance-management service from a third-party provider (TPP) subject to the following:

(a) All transactions involving the physical payback of gas or trading of imbalances on TransColorado's system must comply with the terms and conditions of TransColorado's tariff.

(b) The trading or curing of imbalances may only involve procedures that are provided for in TransColorado's tariff.

(c) Shippers will not be permitted to trade imbalances in any manner that will increase a Shipper's imbalance on TransColorado's system.

(d) Trading of imbalances may only be between imbalances on TransColorado's system.

(e) When a Shipper desires to physically repay or take deliveries of gas, either the Shipper or the TPP must have the necessary transportation receipt and delivery point capacity to allow for the delivery of the gas.

(f) Neither the Shipper nor the TPP may transport or trade gas to which they do not hold title.

(g) Shipper shall remain primarily liable for its imbalances under the provisions of this Section 12.

(h) The TPP will not be permitted to act as a Shipper's agent until TransColorado has received written notice from Shipper. Shippers agree to be bound by all transactions conducted by the TPP in the Shipper's name.

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

12.9 Netting and Trading

(a) Within twenty days after month end, TransColorado will notify Shipper of its monthly imbalance. Imbalances may be traded and netted as long as it reduces the imbalance to TransColorado.

(b) If trading among Shipper's transportation agreements on the same system are not used to cure the imbalance, the Shipper's imbalance will be posted on the Informational Postings portion of TransColorado's Interactive Website, unless Shipper requests that postings not be made, and for the remainder of that month, or at least ten days, those imbalances may be traded or netted. To consummate a trade, both trading parties must inform TransColorado via the electronic bulletin board or fax of their agreement to trade and their desire for TransColorado to offset the imbalances. Trades will be permitted as long as the Shippers have imbalances in opposite directions. After receiving notices from both trading parties, TransColorado will reflect the trade by posting adjusted imbalances on the Informational Postings portion of TransColorado's Interactive Website,

12.10 Unauthorized Overrun

(a) TransColorado shall levy a charge to any Operator that exceeds the limits specified below. Such charge is applicable in times of capacity constraints, or when Operators act in a manner that materially threatens the integrity of TransColorado's System (e.g. under-performance or over-performance that causes significant pressure declines or buildups).

(b) On any day TransColorado determines that it is unable to receive or deliver the total volume of gas scheduled on its System or a portion of its System, it shall have the right to notify all Operators of a Critical System Alert. Contemporaneously with, or shortly following such notice, TransColorado shall give notice to any Operator that would be subject to an Unauthorized Overrun Charge as provided below.

(c) The quantity of gas subject to such charge is the quantity of gas that varies from the amount scheduled at that receipt or delivery point on such days.

(d) Upon receipt of a notification from TransColorado, the Operator shall, within four hours, reduce takes to a level no more than 5% above the scheduled volume for such day or 50 Dth, whichever is larger. If after the four hour notice period:

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Original Sheet No. 246C Original Sheet No. 246C : Superseded

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(i) the Operator continues to over-perform by amounts that exceed the foregoing threshold, TransColorado is permitted to reduce the flow into or out of its System by partially or fully closing the valves at the applicable receipt or delivery points.

(ii) the Operator continues to under-perform by failing to deliver or take the quantities it confirmed for that flow day, an Unauthorized Overrun Charge shall be levied by TransColorado to the Operator in the amount shown on the Statement of Rates for those volumes exceeding 5%.

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Ninth Revised Sheet No. 247 Ninth Revised Sheet No. 247 : Superseded
Superseding: Eighth Revised Sheet No. 247

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(e) TransColorado shall notify Operators each day during a Critical System Alert via the Informational Postings portion of its Interactive Website that the situation continues to exist.

12.11 Fuel Gas Reimbursement. For all gas tendered by shipper for transportation under Rate Schedules FT, IT, or negotiated rate agreements, Shipper shall reimburse TransColorado in kind as posted on its EBB, for gas consumed in transmission-system operations and for lost-and-unaccounted-for gas. Effective April 1, 2001, TransColorado shall assess Phase I shippers that entered into contracts after March 31, 2001, for their proportionate share of lost or gained and unaccounted-for gas. TransColorado shall be at risk for the lost and unaccounted-for gas properly allocable to shippers that entered into contracts on or before March 31, 2001, for service in TransColorado's Phase I facilities. Phase II shippers will reimburse TransColorado for gas consumed in transmission-system operations and for lost-and-unaccounted-for gas. The fuel-gas reimbursement percentage (FGRP), initially 1.0%, shall be applied to quantities of gas tendered by shipper. Shipper's total receipt-point nominations must include the amount of gas equal to the FGRP. TransColorado shall post on its EBB a revised FGRP five days in advance of the first of each month to be effective during the month. TransColorado shall have the right to adjust the FGRP to reflect the actual quantity of gas used by TransColorado so as not to create an imbalance on its system. The FGRP for Phase I and Phase II shippers will include two components: (1) lost or gained and unaccounted-for quantities, and (2) prior 12-months ending December 31 variance adjustment, that includes unamortized or over-amortized quantities from the preceding April 1 through March 31 12-month amortization period. The FGRP for Phase II will include as a third component, system gas consumption.

(a) The monthly FGRP for Phase I shippers that entered into contracts after March 31, 2001, will be calculated using the most recent available actual data and will be equal to (i) plus (iii) of this section. The monthly FGRP for Phase II shippers will be calculated using the most recent available actual data and be equal to (i) plus (ii) plus (iv) of this section.

(i) Projected monthly lost and unaccounted-for component of the FGRP will equal (i) (1) divided by (i) (2):

(1) Projected transmission system losses or gains and unaccounted-for quantities will be calculated by subtracting the physical transmission deliveries for the month, two months previous to the projected month, including actual system gas consumed, from corresponding physical transmission receipts as adjusted for anticipated changes in system operations.

(2) Projected monthly scheduled Phase I and II transportation receipt quantities. Projected monthly scheduled transportation receipts will be based on the scheduled Phase I and Phase

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Third Revised Sheet No. 247A Third Revised Sheet No. 247A : Superseded

Superseding: Substitute Second Revised Sheet No. 247A

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(1) Projected transmission system losses or gains and unaccounted-for quantities will be calculated by subtracting the physical transmission deliveries for the month, two months previous to the projected month, including actual system gas consumed, from corresponding physical transmission receipts as adjusted for anticipated changes in system operations.

(2) Projected monthly scheduled Phase I and II transportation receipt quantities. Projected monthly scheduled transportation receipts will be based on the scheduled Phase I and Phase II transmission receipt quantities for the month, two months previous to the projected month, as adjusted for anticipated changes in system operations.

(ii) Projected monthly system gas consumption. Projected transmission system gas consumption will be based on the actual fuel consumed at each compressor station, extraction plant or other fuel consuming facility for the month, two months previous to the projected month, as adjusted for anticipated changes in system operations divided by projected monthly scheduled Phase II transportation receipt quantities. Projected monthly scheduled transportation receipts will be based on the scheduled transmission receipt quantities for the month, two months previous to the projected month, as adjusted for anticipated changes in system operations (excluding any quantities associated with the transactions listed under § 12.9(d)).

(iii) Phase I and Phase II transportation identified in § 12.9(d) prior 12 months ending December 31 variance adjustment. The variance adjustment for each 12 months ending December 31 shall be: the sum of Phase I and § 12.9(d) shippers' proportionate share of the 12 months' lost or gained and unaccounted-for quantities, less the sum of the 12 months' Phase I and § 12.9(d) shippers' FGRP quantity collected, as adjusted to exclude the variance adjustment component of the FGRP plus the unamortized balance of the prior April 1 through March 31 amortization period; all divided by actual Phase I and § 12.9(d) shippers=annual transportation volumes for the 12 months ended December 31, as adjusted for anticipated changes in system operations. Monthly variances will be accumulated in the appropriate accounts. The variance adjustment component of the FGRP will be used to amortize the previous 12 months ended December 31 variance account balance over the 12-month period April 1 through March 31.

(iv) Phase II prior 12 months ending December 31 variance adjustment. The Phase II variance adjustment for each 12 months ending December 31 shall be: the sum of the 12 months' actual monthly gas consumption and lost or gained and unaccounted-for quantities; less the

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Third Revised Sheet No. 247B Third Revised Sheet No. 247B : Superseded
Superseding: Second Revised Sheet No. 247B

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

the 12-month period April 1 through March 31 based on the 12 months ended December 31 as provided in paragraph 12.9, (a)(iii) and (iv). The fuel reimbursement report will show how the monthly fuel reimbursement percentages were calculated and illustrate how the monthly projected fuel percentages were reconciled with actual fuel usage for the 12 months ended each December 31st. Any revisions to the 12-month application of TransColorado's Fuel Reimbursement provision will be included in the prior year's variance adjustment.

(c) If, pursuant to Section 23.11 of the General Terms and Conditions, TransColorado negotiates a fuel retention rate different than the maximum rate level, TransColorado will credit the full recourse rate fuel retention amounts to the appropriate fuel retention accounts.

12.2 Credit of Cashout Revenues.

Any cashout revenues that exceed gas purchase and applicable costs will be credited to firm, interruptible and negotiated-rate Shippers. The credits shall be calculated by dividing the actual reservation and commodity revenues for each Shipper by the total reservation and commodity revenues during the reporting period and multiplying the result by the excess cashout revenues. The reservation and commodity revenues used to calculate the refund allocation factor shall be net of all applicable surcharges, including, but not limited to, ACA and GRI surcharges. The reporting period shall be the annual period of January through December. If gas purchase and applicable costs exceed revenues, the costs exceeding revenues will be rolled into subsequent annual costs, as an offset to revenues, until eliminated.

Any excess revenues collected for the period January through December will accrue interest from the date of collection until the date credited, using the current Federal Energy Regulatory Commission interest rate as defined in 18 C.F.R. Section 154.501(d) and be credited to Shippers' invoices within 90 days from the end of each calendar year.

12.13 Refund of Penalty Revenues

All Operational Flow Order penalties, unauthorized overrun penalties, cash-out penalties, parking and loaning penalties and imbalance penalty revenues, that exceed gas purchase and incremental administrative costs, will be credited to all non-offending firm, interruptible and negotiated-rate Shippers as set out in 12.12 above.

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Original Sheet No. 247C Original Sheet No. 247C : Superseded

GENERAL TERMS AND CONDITIONS

12. BALANCING OF GAS (Continued)

(iii) Receipt Points: All points of interconnect located near the terminus of TransColorado=s line at Greasewood located in Rio Blanco County, Colorado. Delivery Points: All points of interconnect located near the beginning of TransColorado=s line at Greasewood located in Rio Blanco County, Colorado.

12.10 Credit of Cashout Revenues.

Any cashout revenues that exceed gas purchase and applicable costs will be credited to firm Shippers in proportion to the reservation charges paid by each Shipper during the annual period of January through December. If gas purchase and applicable costs exceed revenues, the costs exceeding revenues will be rolled into subsequent annual costs, as an offset to revenues, until eliminated. Any excess revenues collected for the period January through December will accrue interest from the date of collection until the date credited, using the current Federal Energy Regulatory Commission interest rate as defined in 18 C.F.R. Section 154.501(d) and be credited to Shippers= invoices within 90 days from the end of each calendar year.

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Third Revised Sheet No. 248 Third Revised Sheet No. 248 : Superseded
Superseding: Second Revised Sheet No. 248

GENERAL TERMS AND CONDITIONS

13. BILLING AND PAYMENT

13.1 On or before the ninth business day of each month, TransColorado shall furnish to Shipper a monthly statement of the transportation charge in effect and of the total payment due for the transportation of gas during the preceding month (including any other applicable charges). TransColorado shall provide a schedule showing quantities of gas and heat content received and delivered, including equivalent quantities, unaccounted-for gas, fuel gas and any imbalance under Section 12. TransColorado may furnish an estimated statement and make appropriate adjustments in the statement rendered for the next succeeding month.

13.2 When information necessary for billing purposes is in the control of Shipper or the Operator, it shall be furnished to TransColorado on or before the fifth business day of the month with respect to deliveries of gas during the previous month.

13.3 Shipper and TransColorado shall have the right to examine, at reasonable times, books, records and charts of the other to the extent necessary to verify the accuracy of the statement, charge, or computation made under or pursuant to any of the provisions.

13.4 Payment to TransColorado shall be due at its general office, or at such other address as TransColorado shall designate, within ten days from the date the bill was issued by TransColorado. If the 10th day falls on a weekend or holiday, then the due date shall be extended to the first business day thereafter. Shipper shall submit supporting documentation and TransColorado will apply payment per supporting documentation provided by Shipper. If payment differs from invoiced amount, remittance detail should be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two business days of the payment due date.

13.5 Should Shipper fail to pay all of the amount of any bill when such amount is due, TransColorado shall collect interest on the unpaid portion of the bill in the manner and at the rate prescribed by 18 C.F.R. Section 154.501(d). If such failure to pay continues for 30 days after payment is due, TransColorado, in addition to any other remedy it may have, after giving Shipper 15 days written notice, may suspend further receipt and/or delivery of gas for Shipper until such amount is paid. If Shipper in good faith shall dispute the amount of any such bill, Shipper shall nevertheless pay to TransColorado the amount of such bill and, at any time thereafter within 30 days of a demand made by Shipper, TransColorado shall furnish a good and sufficient surety bond

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GENERAL TERMS AND CONDITIONS

13. BILLING AND PAYMENT (Continued)

guaranteeing refund to Shipper upon such bills after a final determination by agreement, by determination of regulatory agencies having jurisdiction, or by judgment of the courts, as may be the case. Payment of the disputed portion shall not be deemed a waiver of the right to contest such disputed portion in any forum having jurisdiction. Alternatively, shipper may, if invoice is in dispute, pay portion not in dispute and provide documentation identifying basis for dispute.

13.6 If it is determined that Shipper has been overcharged, and Shipper has paid the statement containing the overcharge then, within 30 days after the final determination, TransColorado shall refund the amount overcharged. If it is determined that Shipper has been undercharged, Shipper shall pay the amount undercharged with appropriate interest within 30 days of notice by TransColorado of the amount. Prior period adjustment time limits should be six months from the date of the initial transportation invoice with a three month rebuttal period, excluding government-required rate changes. This standard shall not apply in the case of deliberate omission or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

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First Revised Sheet No. 250 First Revised Sheet No. 250 : Superseded
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GENERAL TERMS AND CONDITIONS

14. FORCE MAJEURE

14.1 A force majeure event includes without limitation by this recital: acts of God, including fires, explosions, earthquakes or volcanic eruptions, storms, floods, washouts and extreme cold or freezing weather; necessity for compliance with any court order, law, regulation or ordinance promulgated by any governmental authority having jurisdiction, either federal, Indian, state or local, civil or military; acts of a public enemy; wars and civil disturbances; strikes, lockouts or other industrial disturbances; shutdowns for purposes of necessary repairs, relocations, or construction of facilities, breakage or accident to machinery or lines of pipe; the necessity for testing (as required by governmental authority or as deemed necessary for safe operation by the testing party); inability to obtain necessary materials, supplies, permits, or labor to perform or comply with any obligation or condition of this Tariff; inability to obtain rights of way; and any other causes that are not reasonably in the control of the party claiming suspension.

14.2 If because of a force majeure event either TransColorado or Shipper is rendered unable, wholly or in part, to perform its obligations under a service agreement incorporating these General Terms and Conditions, other than to make payments when due, and if such party gives notice of such event within a reasonable period of time and provides full particulars of the event in writing or by electronic communication (other than telephone), nonperformance of the party giving such notice shall be excused during the continuance of such event and to the extent its performance is affected by such event. The party claiming force majeure shall use due diligence to remedy its nonperformance with all reasonable dispatch, including the making of provision for such alternate performance as may be economical and practical.

14.3 No force majeure event affecting the performance by TransColorado or Shipper shall relieve such party of liability in the event of failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch. Nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payments as mutually agreed under the applicable rate schedule.

Any force majeure event that results in TransColorado's inability to transport all or any portion of Shipper's gas or that results

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GENERAL TERMS AND CONDITIONS

14. FORCE MAJEURE (Continued)

in Shippers' inability to tender gas to TransColorado for transportation shall not operate to suspend or otherwise affect in any way Shipper's obligation to pay the applicable reservation charge. During any period when receipts are suspended in whole or in part due to a force majeure event, TransColorado may use resulting excess capacity created to transport or exchange any other volumes of gas made available to it. Such use of excess capacity shall not interfere with Shipper's right to have its gas transported.

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First Revised Sheet No. 252 First Revised Sheet No. 252 : Superseded
Superseding: Original Sheet No. 252

GENERAL TERMS AND CONDITIONS

15. RESPONSIBILITY FOR GAS

15.1 As between Shipper and TransColorado, Shipper shall be responsible for its gas until it has been delivered to TransColorado at the points of receipt. TransColorado shall be responsible for the gas while it is in its system between the point of receipt and the point of delivery. After gas has been delivered to or for the account of Shipper by TransColorado at the point of delivery specified in the service agreement, Shipper shall again be responsible for the gas. The party that shall be responsible for the gas shall bear liability for all injury or damage caused by it. Notwithstanding anything to the contrary stated in these General Terms and Conditions, Shipper shall indemnify TransColorado for all injury, damage, loss or liability of TransColorado caused by Shipper's delivery of off-specification gas contrary to Section 11 of these General Terms and Conditions.

15.2 TransColorado shall purchase, own and be responsible for line pack-gas sufficient to operate its system.

15.3 All substances, whether or not of commercial value, including all liquid hydrocarbons of whatever nature, except substances expressly reserved for Shipper, that TransColorado recovers in the course of transporting the quantities of natural gas tendered hereunder to Shipper shall be TransColorado's sole property and TransColorado shall not be obligated to account to Shipper for any value, whether or not realized by TransColorado, that may attach or be said to attach to such substances.

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GENERAL TERMS AND CONDITIONS

16. WARRANTY

Shipper warrants that it will have at the time of delivery of gas for transportation good title or good right to deliver the gas. Shipper warrants that the gas it delivers shall be free and clear of all liens, encumbrances, and claims; that it will indemnify TransColorado and hold it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from any adverse claims of any person to the gas or to royalties, taxes, license fees, or charges that are applicable to such delivery of gas; and that it will indemnify TransColorado and hold it harmless from all taxes or assessments that may be levied and assessed upon such delivery and that are by law payable by the party making delivery.

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GENERAL TERMS AND CONDITIONS

17. ASSIGNMENTS

TransColorado may pledge or charge its interest under a service agreement under the provisions of any mortgage, deed of trust, indenture, security agreement, loan agreement, or similar instrument that it executes. Shipper shall not assign any of its rights under a service agreement incorporating these General Terms and Conditions, except as provided for in Section 6.

Shipper may not pledge or charge its interest under a service agreement under the provisions of any mortgage, deed of trust, indenture, security agreement, loan agreement or similar instrument that it executes without the consent in writing of TransColorado. No person succeeding by purchase, merger or consolidation to the properties of Shipper shall be entitled to any part of the interest of Shipper under its service agreement without the written consent of TransColorado.

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First Revised Sheet No. 255 First Revised Sheet No. 255 : Superseded

Superseding: Original Sheet No. 255

GENERAL TERMS AND CONDITIONS

18. CREDITWORTHINESS

18.1 TransColorado shall not be required to initiate, perform or to continue any transportation service under any rate schedule for Shipper if Shipper is or has become insolvent or fails within 30 days of TransColorado's request for credit information to demonstrate creditworthiness.

18.2 Shipper must demonstrate evidence of creditworthiness by providing the following:

(a) Primary bank references;

(b) Shipper's year-end audited financial statement and its last quarterly report;

(c) A credit report from a credit reporting agency that shows that Shipper pays its commercial obligations within a reasonable period.

18.3 Notwithstanding subparagraph 18.2(c), if Shipper is found to lack creditworthiness, Shipper may receive service if it prepays for such service or furnishes a letter of credit or other good and sufficient security, as determined by TransColorado in its reasonable discretion, in an amount equal to the cost of performing the service requested by Shipper for up to a three-month period.

18.4 The inability of Shipper to pay for the requested service or insolvency of Shipper may be evidenced by the filing by Shipper or any parent or affiliated company (collectively referred to in this paragraph as "Shipper") of a petition in bankruptcy or the entry of a decree or order by a court of competent jurisdiction adjudging Shipper bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of Shipper's debts under the federal Bankruptcy Act or any other applicable federal or state law, or the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the assets of Shipper or the winding-up or liquidation of Shipper's affairs.

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First Revised Sheet No. 256 First Revised Sheet No. 256 : Superseded

Superseding: Original Sheet No. 256

GENERAL TERMS AND CONDITIONS

19. SHIPPER'S FAILURE TO COMPLY WITH TERMS

TransColorado shall not be required to perform service under any transportation rate schedule included in this tariff if Shipper fails to comply with the terms of its Transportation Service Agreement and the General Terms and Conditions of this Tariff.

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GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION

20.1 General.

(a) TransColorado shall endeavor to maintain adequate pressure throughout its system and to preserve the overall operational integrity of its system; provided, however, that TransColorado shall not be obligated to buy or sell gas or to install additional compression or otherwise modify its system for these purposes. Operating personnel for Shippers and other entities that are physically taking delivery of gas from TransColorado or tendering gas to TransColorado shall cooperate with TransColorado in furtherance of this Section. Each Shipper shall designate the e-mail, telephone and fax numbers of one or more persons (but not more than two (2) primary and two (2) backup persons) for TransColorado to contact on operating matters (including the receipt of Operational Flow Orders and notices of a Critical Time consistent with Section 20.5) at any time, on a 24-hour a day, 365-days a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters.

(b) For the purpose of these General Terms and Conditions, the overall operational integrity of TransColorado's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system as an entity (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of gas delivered.

20.2 Facility Control. TransColorado shall maintain actual physical and operational control of all transmission and other facilities on its system.

20.3 Operational Control Sequence. In the event TransColorado's observations or projections indicate that a situation is or may be developing in which adequate pressures may not be maintained or the overall operational integrity of its system (or any portion thereof) could be threatened, or in the event that such a situation actually occurs, TransColorado is authorized by this Section to take action to alleviate this situation. In responding to such a situation, TransColorado shall first apply the Advisory Actions procedures of Section 20.4. If such measures are not sufficient in TransColorado's

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

judgment to address the situation fully, TransColorado shall next employ the Critical Time procedures set out in Section 20.5. Finally, TransColorado may take unilateral action as provided in Section 20.6. The procedures set out in such provisions, and their sequencing, are intended to be applied only to the extent any of the specific actions indicated, or such sequencing, would be anticipated to alleviate the situation to be addressed. In issuing Advisory Actions consistent with Section 20.4 or a Critical Time consistent with Section 20.5, TransColorado shall describe the conditions and the specific responses required from the affected parties.

To the extent that specific actions are reasonably identifiable, TransColorado shall direct its actions hereunder to Shippers creating or anticipated to create the situation to be addressed and shall act consistent with Section 20.7. Nothing herein shall preclude TransColorado from bypassing any of the above procedures if, in its judgment, the situation so requires. TransColorado will keep Shippers advised through DART on the status of the situation.

20.4 Advisory Actions

In the event TransColorado determines that action is required to alleviate or forestall a situation in which system pressure is not maintained or when the overall operational integrity of the system or any portion of the system is jeopardized, TransColorado may take the Advisory Actions set out herein to alleviate or forestall the development of such a situation.

(a) TransColorado may request Shippers or other entities affecting its system to take any of the following actions, or other similar actions, to the extent such actions would tend to alleviate the situation, on a voluntary basis:

- (i) Shift receipts to obtain better capacity balance;
- (ii) Change Receipt or Delivery Points;
- (iii) Change usage patterns (e.g., end users switch to alternate fuels);
- (iv) Provide assistance from market area resources;
- (v) Activate pre-negotiated voluntary arrangements under which gas is diverted from one Shipper to another or from a non-Shipper to a Shipper (which arrangements may specify appropriate compensation);

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

(vi) Reconcile transportation imbalances; and/or

(vii) Such other voluntary action as would tend to alleviate or forestall the situation.

(b) TransColorado may also take actions within its control that might tend to alleviate or forestall the situation. Such actions may include the following:

(i) Advise any Shipper which is not maintaining receipts and deliveries in balance that such imbalances must not continue;

(ii) Curtail or require adjustments or supply shifts in IT service; and/or

(iii) Take such other actions as are within TransColorado's control and discretion to alleviate or forestall the situation.

20.5 Critical Time Notice.

(a) A Critical Time may be declared (1) when the total physical receipts to all or a portion of the system are approaching or expected to approach a level that is in excess of the total physical deliveries (2) when the total physical deliveries from all or a portion of the system are approaching or expected to approach, a level that is in excess of the total physical receipts; (3) when system pressure on one or more pipeline segments is falling and approaching a level or is expected to fall and approach a level that is at or below the minimum that TransColorado considers necessary for system integrity or to fulfill its firm contractual obligations; (4) when system pressure on one or more pipeline segments is rising and approaching a level or is expected to rise and approach a level that is at or above the maximum pressure at which TransColorado's facilities may be safely operated; or (5) at other times when TransColorado is unable or anticipates it may not be able to fulfill its firm contractual obligations or otherwise when necessary to maintain the overall operational integrity of all or a portion of TransColorado's system. A Critical Time may not be declared on all or a portion of the system for the purpose of maintaining interruptible services on that portion of the system, but interruptible gas may flow at times or on portions of the system when such flow would not violate any operational control restrictions or provisions of this Tariff. TransColorado shall notify Shippers on the DART system as to the reason(s) why a Critical Time was declared.

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Original Sheet No. 257C Original Sheet No. 257C : Superseded

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20. SYSTEM OPERATION - (Continued)

(b) TransColorado shall advise Shippers on its system if it is declaring a Critical Time, as described in Section 20.5(a) above, and shall specify the nature of the situation creating the Critical Time.

(c) TransColorado may issue OFOs as described in this Section 20.5 during a Critical Time.

(d) All quantities tendered on a net contract basis to TransColorado and/or taken by Shipper on a daily basis in violation of TransColorado's OFOs issued during a Critical Time shall constitute unauthorized receipts or deliveries for which a charge of \$25 per Dth plus the San Juan Basin spot price of gas, as determined in Section 12.3 of these General Terms and Conditions, for the days the OFO is in place shall be assessed and the resulting imbalance will be reduced to zero.

(e) Notice of a Critical Time will be posted on the DART system, and will be the first information item shown on the bulletin board feature of DART. TransColorado will endeavor to post the notice on DART before 4:00 p.m. CCT or otherwise will endeavor to notify Shippers via DART by 4:00 p.m. CCT that they should check DART again at a specified later time to see whether a Critical Time will be in effect for the next day. TransColorado must attempt to give actual notice of a Critical Time via e-mail, fax or telephone (provided a Shipper has given the numbers to TransColorado as required in this Section) at least four (4) hours prior to the start of the day before a Critical Time will be effective as to a Shipper. Such notice shall specify the anticipated duration of the Critical Time and whether other charges will apply to over-receipts and under-deliveries vis-...-vis confirmed nominations or to under-receipts and over-deliveries vis-...-vis confirmed nominations. If reasonably possible, a Critical Time will be effective at the start of a day and will continue until the end of the day and through the end of successive days until TransColorado notifies Shippers via DART that there is no longer a Critical Time.

(f) In the event that, in TransColorado's judgment, the Advisory Actions under Section 20.4 are not sufficient to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity of TransColorado's system or to maintain operations required to provide efficient and reliable firm service, TransColorado is authorized to issue OFOs.

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

Notwithstanding the foregoing, TransColorado shall take reasonable actions to minimize the issuance and the adverse impact of OFOs, or of any other measure taken under this Section in response to adverse operational events on TransColorado's system. TransColorado will issue OFOs only if necessary, in its reasonable judgment, to maintain the pressure of its system within the range of normal operating parameters or, to respond to or prevent facility outages or other conditions which could have a detrimental impact on system reliability or service integrity on its system. OFOs shall be lifted as soon as practicable when such conditions no longer prevail.

Such OFOs may, subject to Section 20.9, require a Shipper to take any of the following actions, or similar actions, to the extent such actions would tend to alleviate the situation to be addressed:

(i) Commence or increase deliveries into TransColorado's system at specific points, or shift such deliveries (in whole or in part) to different points.

(ii) Cease or reduce deliveries into TransColorado's system at specific points.

(iii) Commence or increase deliveries of gas from TransColorado's system from specific points, or shift deliveries to different points.

(iv) Cease or reduce deliveries from TransColorado's system or at specific points.

(v) Reconcile transportation imbalances.

(vi) Requiring that deliveries under all of TransColorado's rate schedules be made on a uniform hourly rate effective three (3) hours after issuance of an OFO.

(vii) Such other actions as are within Shipper's control that would tend to alleviate the situation to be addressed.

No Shipper will be required under an OFO to exceed its total firm maximum daily quantity under its Agreements with TransColorado under Part 284 of the Commission's Regulations. Nor will a Shipper be required to accept delivery of gas that the Shipper cannot use at its delivery points.

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Original Sheet No. 257E Original Sheet No. 257E : Superseded

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

(g) In issuing OFOs to correct problems with either too much gas or insufficient gas being received vis-...-vis deliveries, TransColorado will generally follow the following sequence, to the extent there is sufficient time:

(i) TransColorado will require all Shippers out of balance to the detriment of the system to balance their Agreements.

(ii) TransColorado will seek voluntary action from Shippers, subject to the Shipper and TransColorado negotiating adequate compensation.

(iii) TransColorado will interrupt interruptible services if doing so will restore system flexibility prior to issuance of generally applicable OFOs or curtailment of firm services. This step will be taken when Shippers are failing to comply with previously issued OFOs or when TransColorado cannot identify which Shippers are creating the problem.

(h) In the event receipts in segments of TransColorado's system exceed scheduled receipts so that high system pressures back off scheduled receipt quantities, TransColorado may issue an OFO to all Shippers in the affected segment of the system stating that a high pressure condition exists. All such Shippers will be required to check their deliveries into receipt points on the affected portion of the system. Those Shippers who are delivering more than their scheduled volumes will have four (4) hours to make needed adjustments, or enter the penalty situation. An OFO issued pursuant to this Section 20.5(h) will be canceled by TransColorado when the high pressure condition described above has been corrected and the imbalances created by the high pressure condition have been reasonably resolved.

(i) In the event there is a need for TransColorado to engage in routine and normal maintenance of the system, to undertake repairs and replacements of lines of pipe, to schedule DOT compliance activities, to install taps, to make pig runs, to test equipment, to check or change compressor internals, or to engage in other similar actions affecting the capacity of any portions of the system, TransColorado may issue OFO's pursuant to this Section 20.5(i), which will contain an estimate of the time, duration, and impact of the activity. An event of force majeure may affect deliveries, but not trigger the need for an OFO pursuant to this Section 20.5(i). An order issued pursuant to this Section 20.5(i) shall be canceled when such planned maintenance or other activities have been completed.

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

(j) Notice and posting shall include but not be limited to (i) mandated specific actions, (ii) indication of voluntary actions, (iii) identification of the parties subject to the OFO, (iv) the time the OFO will become effective, (v) the estimated duration of the OFO, (vi) whether TransColorado is overdelivered or underdelivered, (vii) whether actual net receipts need to be equal to or greater than actual deliveries or actual deliveries need to be equal to or greater than actual net receipts, (viii) whether or not authorized overruns are acceptable and (ix) 24 hour contact number for TransColorado during the duration of the OFO.

(k) In addition to the OFOs described in subsections (a-j) above, TransColorado may issue OFOs as follows:

(i) In order to improve system operations, TransColorado may require any Shipper that has a variance of twenty percent(20%) or more between actual deliveries to TransColorado at a Receipt Point and the confirmed nomination at that Receipt Point to conform the deliveries to the confirmed nomination as of the day that commences with the effectiveness of the OFO.

(ii) TransColorado may also require Shippers to keep any variances between actual flows and confirmed nominations at all of the Receipt Points or Delivery Points under each Shipper's Agreements, which are to the detriment of TransColorado's system, within a ten percent (10%) tolerance. If a Shipper agrees to keep all other Shippers at a Delivery Point whole with their nominations (Swing Shipper), such other Shippers' confirmed nominations and actual takes at that point will be included in the total confirmed nominations and the total actual deliveries of the Swing Shipper at all Delivery Points for the purposes of determining the Swing Shipper's variance.

(iii) A Shipper shall not be subject to overrun penalties and charges from TransColorado or imbalance charges with respect to any action taken in conformance with an OFO issued by TransColorado during a Critical or non-Critical Time.

20.6 Unilateral Action. In the event that the actions under Sections 20.3 through 20.5 are inadequate or there is insufficient time to carry out such procedures, TransColorado may periodically have to take unilateral action to maintain system pressure and preserve the overall operational integrity of TransColorado's system (or any portion thereof). TransColorado is authorized to use all the resources of its system to such

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

ends, through the integrated operation of line pack, and supply received into TransColorado's system, even though gas may be owned by a person other than the entity receiving delivery. TransColorado shall not, however, be responsible as a supplier of gas to any Shipper.

20.7 Applicability of Actions. In exercising its authority pursuant to Sections 20.3 through 20.6, TransColorado shall generally direct its actions to Shippers in the following sequence, to the extent such actions and/or sequencing will tend to alleviate the situation to be addressed:

(a) First, to any Shipper that has been identified to take action and is causing disruption due to its failure to maintain receipts and deliveries in balance or to match physical flows with nominated receipts or deliveries;

(b) Second, to any Shipper that has been identified to take action and has failed or is failing to take action to anticipate a change in demand (i.e., a temperature sensitive LDC or end user failing to respond to changes in weather);

(c) Third, to any Shipper that has been identified to take action and is operating in a manner that conflicts with sound operational practices in relation to TransColorado's system; and

(d) Lastly, to all other Shippers.

20.8 Refund of Penalty Amounts. All amounts collected by TransColorado for OFO penalties shall be refunded consistent with Section 12.11 of these General Terms and Conditions.

20.9 Standards.

(a) In issuing OFOs or taking other operational control action under this Section, TransColorado shall apply consistent and objective engineering and operational criteria to define the overall operational integrity of the system and acceptable pressure levels to be maintained, to evaluate the imminent nature of any threat to these factors, and to determine what steps are necessary to preserve such factors. Such criteria may be changed from time to time as operating experience indicates.

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

(b) In applying this Section, TransColorado shall operate its system on a non-discriminatory manner, without regard to the source of supply, the identity or nature of any Shipper or the identity of any entity tendering or receiving gas except as otherwise explicitly provided herein.

20.10 Liability.

(a) TransColorado shall not be liable to any person for the manner in which it operates its system, or for any diversion of gas or capacity rights or any other adverse consequences to such person that may result from its actions, provided that TransColorado's actions were undertaken in furtherance of and in accordance with this Section 20 and provided further that such adverse consequences are not attributable to TransColorado's negligence or misfeasance.

(b) Compliance with the OFOs and the other terms and conditions of TransColorado's FERC Gas Tariff is essential to provide deliveries and services under all rate schedules. A failure by one or more Shippers to comply with the OFOs may affect TransColorado's ability to provide such deliveries and services. In such event and in addition to other provisions hereof and not in lieu of any other remedies available in law or at equity, TransColorado will, except for negligence or undue discrimination, have no liability.

(c) In the event a Shipper's gas supplies are diverted to another Shipper or retained by TransColorado as a result of an OFO, the party receiving such gas supplies shall compensate the Shipper whose gas was diverted or retained at the San Juan Basin spot price of gas, as determined in Section 12.3 of these General Terms and Conditions. Should reduced deliveries result from the issuance of an OFO, TransColorado shall provide reservation charge credits to Shippers reflecting such reduced deliveries.

20.11 Reporting. Within 90 days after an OFO has been lifted, TransColorado will post on its Internet Web Site a report that describes the specific operational factors which caused the OFO to be issued and then lifted.

Effective Date: 12/01/2003 Status: Effective

FERC Docket: RP00-459-002

Original Sheet No. 257I Original Sheet No. 257I : Superseded

GENERAL TERMS AND CONDITIONS

20. SYSTEM OPERATION - (Continued)

20.12 Unauthorized Gas.

TransColorado will notify operators by approximately the 15th of each month of their level of Unauthorized gas for the preceding calendar month. TransColorado will post on its EBB by approximately the 15th of each month quantities of Unauthorized gas in the preceding month which cannot be attributed to any Shipper. Any Operator who delivers unscheduled natural gas onto TransColorado's system will be given sixty (60) days from the date TransColorado provides notice to the Operator that such gas has been received, to deliver it off the system or schedule it for delivery, or it will become the property of TransColorado at the end of the 60 day period. If the Shipper who delivered such gas onto TransColorado's system is not known, the gas will become the property of the TransColorado sixty (60) days after it was received by TransColorado.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 258 Second Revised Sheet No. 258 : Superseded
Superseding: First Revised Sheet No. 258

GENERAL TERMS AND CONDITIONS

21. COMPLIANCE PLAN FOR TRANSPORTATION SERVICES

21.1 Purpose. TransColorado is an interstate natural gas pipeline company that transports natural gas for others pursuant to Subparts B and G of Part 284 and is affiliated through its corporate parents (an equal partnership comprised of K N TransColorado, Inc., and Questar TransColorado, Inc.) with corporations which may engage in marketing or brokering activities as defined in Section 161.2 of the Commission's Regulations. Section 21 provides the information and procedures required by 18 C.F.R. Section 250.16(b) and (c).

21.2 Shared personnel and facilities. TransColorado, as a separate entity, does not share any operating personnel or facilities with any affiliated marketing or brokering entity. The two interstate pipeline companies that comprise TransColorado (K N Interstate Gas Transmission Company and Questar Pipeline Company) have complied with the procedures required by Sections 161 and 250.16 of the Commission's Regulations.

21.3 Complaint Procedures. If an existing or potential Shipper has a concern relating to any request for transportation service or any ongoing transportation service, Shipper may complete the inquiry form included in this Tariff. Shipper shall complete the inquiry form and return it to:

TransColorado Gas Transmission Company
370 Van Gordon Street
P.O. Box 281304
Lakewood, CO 80228-8304

TransColorado shall notify Shipper within 48 hours that the inquiry has been received. Each inquiry will be noted on the transportation request log. Each inquiry shall be investigated, and TransColorado shall inform Shipper in writing within 30 days of receipt of the inquiry of the action, if any, taken in response to Shipper's inquiry. TransColorado shall maintain a separate file for all shipper inquiries and TransColorado's responses.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00-25-000

First Revised Sheet No. 259 First Revised Sheet No. 259 : Superseded
Superseding: Original Sheet No. 259

GENERAL TERMS AND CONDITIONS

21. COMPLIANCE PLAN FOR TRANSPORTATION SERVICES (Continued)

21.4 Transportation Log. Transporter does not rely on contract data to allocate capacity. Therefore, Transporter will not maintain a log containing the information required by Section 250.16(c)(1) of the Commission's Regulations.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 260 First Revised Sheet No. 260 : Superseded

Superseding: Original Sheet No. 260

GENERAL TERMS AND CONDITIONS

SHIPPER INQUIRY FORM

Name of inquirer:

Identification of contract under question:

Designation of time period involved:

Nature of inquiry or complaint:

Signature_____

Title_____

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 261 First Revised Sheet No. 261 : Superseded

Superseding: Original Sheet No. 261

GENERAL TERMS AND CONDITIONS

22. ACCOUNTING DEPRECIATION

TransColorado has used a depreciation method in establishing its rates that differs from the traditional straight-line method. Shippers will pay rates under their transportation agreements that will incorporate TransColorado's methodology.

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Fourth Revised Sheet No. 262 Fourth Revised Sheet No. 262 : Superseded
Superseding: Third Revised Sheet No. 262

GENERAL TERMS AND CONDITIONS

23. NEGOTIATED RATES

23.1 Applicability. Notwithstanding anything to the contrary contained in this Tariff, TransColorado may charge a negotiated rate for service under any rate schedule contained in this Tariff to any Shipper that has access to service at the rates set forth in the applicable rate schedule as shown on the effective Statement of Rates (recourse rates), and agrees to pay the negotiated rate.

23.2 Definition. A negotiated rate shall mean a rate for service, where one or more of the individual rate components exceed the maximum charge, or are less than the minimum charge, for such components. This definition shall include a rates: (1) derived by a formula where one or more of the individual rate components may exceed the maximum charge, or may be less than the minimum charge; (2) based on a rate design other than Straight Fixed-Variable (SFV), and (3) that include a minimum volume.

23.3 Conditions. Implementation of a negotiated rate shall be subject to the following conditions:

(a) TransColorado and Shipper have executed a valid Transportation Service Agreement to implement negotiated rate(s).

(b) Shipper had access to service pursuant to this FERC Gas Tariff at the rates set forth on the Statement of Rates at the time of the execution of the Transportation Service Agreement implementing negotiated rate(s).

(c) TransColorado has filed a tariff sheet advising the Commission of such agreement. The numbered tariff sheet will state the exact legal name of the Shipper, the negotiated rate, other applicable charges, the receipt and delivery points, the volume of gas to be transported and the applicable rate schedule for service provided at a negotiated rate. The tariff sheet will include a statement affirming that the negotiated rate agreement does not deviate in any material aspect from the applicable form of service agreement or TransColorado will file the agreement pursuant to Section 154.112(b) of the Commission's Regulations.

23.4 Bidding for Firm Capacity. TransColorado and Shipper may negotiate and post for competitive bidding, a rate that exceeds the applicable maximum reservation rate. If competing bids under Section 5.3 of these General Terms and Conditions reflect different rate forms, i.e., negotiated rates vs. recourse rates, TransColorado shall award the capacity, or portion thereof, using the evaluation criteria of Section 6.10 of these General Terms and Conditions; the negotiated reservation charge reflected in such evaluation criteria cannot exceed the maximum applicable recourse rate. TransColorado will calculate this value based only on the reservation charge or similar guaranteed revenue stream.

Effective Date: 08/01/2001 Status: Effective

FERC Docket: RP01-478-000

Second Revised Sheet Nof. 263 Second Revised Sheet Nof. 263 : Superseded
Superseding: First Revised Sheet No. 263

GENERAL TERMS AND CONDITIONS

23. NEGOTIATED RATES (Continued)

23.5 Transportation Service Agreements Subject to the Right of First Refusal. The right of first refusal provided with respect to certain Shipper's firm service agreements, as described in Section 7 of the General Terms and Conditions, shall not apply to firm service agreements with negotiated rates, unless otherwise agreed to in writing by TransColorado.

23.6 Capacity Release. TransColorado and Shipper may, in connection with their agreement to a Negotiated Rate under a firm transportation rate schedule, agree upon payment obligations and crediting mechanisms in the event of a capacity release that vary from or are in addition to those set forth in Section 6 of this Tariff. This provision does not allow TransColorado and Shipper to negotiate the terms and conditions of service.

23.7 Capacity Scheduling. For purposes of allocating capacity under Section 8 of these General Terms and Conditions, a Shipper paying a negotiated rate that exceeds the maximum rate for that service will be considered to have paid the maximum rate for such service.

23.8 Accounting for Costs and Revenues. Allocation of costs to, and recording of revenues from service at negotiated rates(s) or rate formula(s) will follow TransColorado's normal practices associated with transportation services provided under this tariff. If TransColorado institutes any revenue tracker or other device to flow through to its shippers the impact of interruptible or other transportation transactions, the treatment of such tracker of revenues from nonconforming negotiated rate(s) or rate formula(s) shall be specified in the applicable tariff provision.

23.9 Section 4(e) Rate Case Tracking. TransColorado will separately record the volume transported, billing determinants, rate components, surcharges and the revenue associated with its negotiated-rate transactions so that this information can be separately identified, and separately totaled as part of Statements G, I, and J in any applicable rate case filing under Section 4(e) of the Natural Gas Act, 15 U.S.C. & Section 717(c). TransColorado's recovery of surcharges, such as ACA and GRI, will comport with existing practices.

23.10 Rate Treatment. TransColorado shall have the right to seek in future general rate proceedings discount-type adjustments in the design of its rates related to negotiated-rate agreements that were converted from pre-existing discount adjustments to negotiated-rate agreements, provided

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FERC Docket: RP01-478-000

Original Sheet No. 263A Original Sheet No. 263A : Superseded

GENERAL TERMS AND CONDITIONS

23. NEGOTIATED RATES (Continued)

that the type of pre-existing service is not altered as a result of the conversion to a negotiated rate. In those situations, TransColorado may seek a discount-type adjustment based upon the greater of: (a) the negotiated-rate revenues received or (b) the discounted-rate revenues that otherwise would have been received.

23.11 Negotiated-Rate Surcharge and Fuel Retention Components. If TransColorado negotiates surcharge or fuel retention percentage rate components at lower than the maximum rate level for those components as part of a negotiated-rate agreement, it will assume any risk of under-recovery of costs or fuel retention from negotiated-rate Shippers in order to ensure that its recourse Shippers are not adversely affected due to negotiated-rate agreements with individual Shippers. If TransColorado negotiates specific surcharge components of its rates, rather than total rates, as part of a negotiated rate agreement, TransColorado's discount order policy shall not apply.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

Fourth Revised Sheet No. 264 Fourth Revised Sheet No. 264 : Superseded
Superseding: Third Revised Sheet No. 264

GENERAL TERMS AND CONDITIONS

24. ANNUAL CHARGE ADJUSTMENT ("ACA")

24.1 Purpose. This Section 24 establishes an Annual Charge Adjustment Provision ("ACA") which will permit TransColorado to recover from its Shippers the annual charges assessed to TransColorado by the Commission under Part 382 of the Commission's Regulations.

24.2 Applicable Customers. The ACA shall be applicable to all transportation rate schedules contained in this Tariff and shall be reflected on Sheet No. 20. For those rate schedules with a two-part rate, the ACA unit charge shall only apply to the usage component of such rate.

24.3 Filing Procedure. Changes to the ACA unit charge shall be filed annually to reflect the annual charge unit rate authorized by the Commission for such fiscal year. The notice period and proposed effective date of filings pursuant to this subsection shall meet the requirements of Section 154.207 of the Commission Regulations, unless, for good cause shown, a lesser notice period and different effective date is allowed by valid Commission order.

24.4 Accounting for Annual Charges Paid Under Part 382. TransColorado shall account for annual charges paid by charging the amount to Account No. 928, Regulatory Commission Expenses, of the Commission's Uniform System of Accounts. Any annual charges recorded in Account No. 928 shall not be recovered by TransColorado in a Natural Gas Act Section 4 rate case.

25. ADVERTISEMENTS

Any person may advertise for the purchase of capacity on TransColorado's system on DART by submitting the desired advertisement (up to one page) to TransColorado. TransColorado shall post such advertisement on DART no later than the business day following receipt thereof if so requested, so long as the advertisement is not unlawful or inconsistent with TransColorado's tariff. The posted period requested may be for a period of time not to exceed one month. There will be no posting fee for such advertisements seeking to purchase capacity on TransColorado. A response in and of itself to an advertisement seeking to purchase capacity never constitutes a capacity release. To release capacity, the Shipper holding the capacity rights must utilize the release procedures set forth in Section 6 of these General Terms and Conditions.

Effective Date: 12/01/2001 Status: Suspended
FERC Docket: RP01-419-000

Fifth Revised Sheet No. 264 Fifth Revised Sheet No. 264 : Suspended
Superseding: Fourth Revised Sheet No. 264

GENERAL TERMS AND CONDITIONS

24. ANNUAL CHARGE ADJUSTMENT ("ACA")

24.1 Purpose. This Section 24 establishes an Annual Charge Adjustment Provision ("ACA") which will permit TransColorado to recover from its Shippers the annual charges assessed to TransColorado by the Commission under Part 382 of the Commission's Regulations.

24.2 Applicable Customers. The ACA shall be applicable to all transportation rate schedules contained in this Tariff and shall be reflected on Sheet No. 20. For those rate schedules with a two-part rate, the ACA unit charge shall only apply to the usage component of such rate.

24.3 Filing Procedure. Changes to the ACA unit charge shall be filed annually to reflect the annual charge unit rate authorized by the Commission for such fiscal year. The notice period and proposed effective date of filings pursuant to this subsection shall meet the requirements of Section 154.207 of the Commission Regulations, unless, for good cause shown, a lesser notice period and different effective date is allowed by valid Commission order.

24.4 Accounting for Annual Charges Paid Under Part 382. TransColorado shall account for annual charges paid by charging the amount to Account No. 928, Regulatory Commission Expenses, of the Commission's Uniform System of Accounts. Any annual charges recorded in Account No. 928 shall not be recovered by TransColorado in a Natural Gas Act Section 4 rate case.

25. ADVERTISEMENTS

Any person may advertise for the purchase of capacity on TransColorado's system on its Interactive Website by submitting the desired advertisement (up to one page) to TransColorado. TransColorado shall post such advertisement on the Informational Postings portion of its Interactive Website no later than the business day following receipt thereof if so requested, so long as the advertisement is not unlawful or inconsistent with TransColorado's tariff. The posted period requested may be for a period of time not to exceed one month. There will be no posting fee for such advertisements seeking to purchase capacity on TransColorado. A response in and of itself to an advertisement seeking to purchase capacity never constitutes a capacity release. To release capacity, the Shipper holding the capacity rights must utilize the release procedures set forth in Section 6 of these General Terms and Conditions.

Third Revised Sheet No. 265 Third Revised Sheet No. 265 : Superseded
Superseding: Second Revised Sheet No. 265

GENERAL TERMS AND CONDITIONS

26. SEGMENTATION

(a) A Shipper may segment its firm capacity to the extent operationally feasible. In addition, any Shipper may segment its firm capacity in releasing to a Replacement Shipper to the extent operationally feasible. A Shipper segmenting its own firm capacity shall effectuate such segmentation through the nomination process under this Section 26. A Shipper may release firm capacity on a segmented basis to the extent consistent with this Section 26 by following the procedures set out in Section 6 of these General Terms and Conditions.

(b) For the purposes of this Section 26, a segmentation of firm capacity (whether of Shipper's own capacity or on release) shall be deemed operationally feasible unless: (i) the segmentation would result in an increase in firm contractual obligation by TransColorado on any segment or portion of its system; or (ii) the segmentation would result in a physical haul in a direction opposite to the primary path under the Agreement being segmented, absent a determination by TransColorado, which determination will be made within ten (10) business days of the request, that it can physically perform the segmentation as requested;

(c) In the event a path is segmented under this Section, the upstream path segment shall receive priority at all secondary points upstream of the break point and the downstream path segment shall receive priority at all secondary points downstream of the break point.

(d) Shippers may request to segment outside their primary path to the extent that such a request to segment does not (a) adversely impact Shippers' rights to access secondary points in accordance with the General Terms and Conditions of this tariff or (b) adversely impact TransColorado's ability to perform its contractual obligations to all Shippers. If TransColorado determines that it may perform such segmentation, Shippers shall have priority of service in accordance with Section 8.1(a) (ii) (2) of these General Terms and Conditions.

(e) If TransColorado determines that it is operationally feasible, the Shipper (or Replacement Shipper in the case of a release) may nominate service at Receipt and Delivery Points for the path segment that results in a reverse flow from the original path, subject to the discount policy stated in Section 26(f) below.

(f) Subject to the availability of firm capacity at the primary points, a Shipper, a Replacement Shipper or a Subreplacement Shipper may change the primary Receipt or Delivery Points listed in the

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FERC Docket: RP00-459-002

Second Revised Sheet No. 266 Second Revised Sheet No. 266 : Superseded
Superseding: First Revised Sheet No. 266

GENERAL TERMS AND CONDITIONS

26. SEGMENTATION - (Continued)

Agreement to new primary points if the Shipper (or in the case of a release, the Original Shipper) and TransColorado agree to amend the Agreement to change the primary Receipt or Delivery Points accordingly. The new primary points must be within the original primary path of the Agreement and may not create stranded capacity on TransColorado. TransColorado shall not be obligated to reserve firm capacity to reinstate the former primary points upon expiration of the segmentation or the capacity release.

(g) Discounts for segmented transportation may be granted according to the procedures set out in Section 9.7 of these General Terms and Conditions.

(h) To the extent segmentation results in an increase of a Shipper's or Replacement Shipper's firm contract rights and TransColorado schedules and confirms that increase in firm contract rights, the Shipper or Replacement Shipper that caused such increase in firm contract rights overlap will be subject to the applicable overrun charge pursuant to each rate schedule in Original Volume No. 1. If a capacity release occurs during the day and the releasing Shipper has already submitted a nomination, the original Shipper may incur the applicable overrun charge.

(i) TransColorado reserves the right to evaluate and disallow segmentation on its system on a case-by-case basis for those situations that are not operationally feasible and not already described in this Section 26. Disallowance of segmentation requests will be made on a non-discriminatory basis. TransColorado will post on its Internet web site within 10 business days, the explanation for any disallowance of segmentation not specifically described in this Tariff.

27. INCIDENTAL PURCHASE AND SALE

TransColorado is not providing a supply service under any Rate Schedule of this tariff, but may buy and sell gas in connection with the provision of transportation services. Without limitation of the foregoing, TransColorado may buy and sell gas to the extent necessary to maintain system pressure, to manage system integrity, to maintain line pack and provide additional line pack for new facilities, to implement the cashout imbalance procedures under Section 12.6, and to perform other functions of TransColorado in connection with transportation services. Nothing herein shall impose on TransColorado any obligation to provide a supply function to any of its Shippers.

Effective Date: 12/01/2003 Status: Effective

FERC Docket: RP00-459-002

First Revised Sheet No. 267 First Revised Sheet No. 267 : Superseded

Superseding: Original Sheet No. 267

GENERAL TERMS AND CONDITIONS

27. INCIDENTAL PURCHASE AND SALE - (Continued)

TransColorado will sell gas at any point on the system on a non-discriminatory basis. Buyer will be required to arrange with TransColorado the necessary transportation agreements from the point of sale.

The availability of gas for sale or interest in purchasing gas will be posted on TransColorado's Interactive Website to the extent feasible at least twenty-four (24) hours prior to the actual purchase or sale.

Effective Date: 12/01/2003 Status: Effective

FERC Docket: RP00-459-002

First Revised Sheet No. 268 First Revised Sheet No. 268 : Superseded
Superseding: Original Sheet No. 268

Reserved Sheets

First Revised Sheet No. 268 and Original Sheet Nos. 269 through 399 have been reserved for future use.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 400 First Revised Sheet No. 400 : Superseded
Superseding: Original Sheet No. 400

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO FIRM TRANSPORTATION SERVICE UNDER
RATE SCHEDULE FT

In consideration of the representations, covenants and conditions contained below, TransColorado Gas Transmission Company ("TransColorado") and Shipper agree, as of _____, that TransColorado will provide transportation service for Shipper on a firm basis in accordance with the provisions contained in this Transportation Service Agreement. This Agreement includes all the terms and conditions of TransColorado's FERC Gas Tariff, Volume No. 1, and the terms, conditions and signatures of Shipper's electronic agreement with TransColorado.

1. SHIPPER'S NAME AND ADDRESS:

2. SHIPPER'S STATUS:

_____ Local Distribution Company
_____ Intrastate Pipeline Company
_____ Interstate Pipeline Company
_____ Other

3. TRANSPORTATION ON BEHALF OF:

_____ LDC
_____ Intrastate Pipeline Company
_____ Interstate Pipeline Company
_____ Shipper

4. RATE SCHEDULE FT CONTRACT DEMAND

_____ Dth/day

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Third Revised Sheet No. 401 Third Revised Sheet No. 401 : Superseded
Superseding: Second Revised Sheet No. 401

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO FIRM TRANSPORTATION SERVICE UNDER
RATE SCHEDULE FT

5. PRIMARY RECEIPT POINTS
Meter No. Capacity

6. PRIMARY DELIVERY POINTS
Meter No. Capacity

7. RATES:
Reservation Charge:

_____ The maximum rate on TransColorado's Statement of Rates.
_____ A discounted rate of \$_____/Dth/Month
_____ See additional terms

Usage Charge:

_____ The rate on TransColorado's Statement of Rates.
_____ See additional terms.

Fuel Reimbursement

_____ (Subject to adjustment pursuant to § 12.11 of the
General Terms and Conditions)

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 402 Second Revised Sheet No. 402 : Superseded
Superseding: First Revised Sheet No. 402

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO FIRM TRANSPORTATION SERVICE UNDER
RATE SCHEDULE FT

8. ADDITIONAL FACILITIES CHARGES:

_____ None
_____ Lump-sum payment of _____
_____ Monthly fee of _____
_____ See additional terms

9. TERM OF SERVICE:

_____ to _____

10. NOTICE OF TERMINATION:

_____ Month(s) in advance of (i) the end of the primary term
or (ii) any termination date after the primary term has ended.

11. NOTICES TO TRANSCOLORADO UNDER THIS AGREEMENT SHALL BE
ADDRESSED TO:

TransColorado Gas Transmission Company
370 Van Gordon Street
P. O. Box 281304
Lakewood, CO 80228-8304

12. ADDITIONAL TERMS:

Shipper Approval

(Signature Code)

(Title)

Date: _____

TransColorado Gas Transmission Company
Approval

(Signature Code)

(Title)

Date: _____

Effective Date: 12/01/2003 Status: Effective
FERC Docket: RP00-459-002

Third Revised Sheet No. 403 Third Revised Sheet No. 403 : Superseded
Superseding: Second Revised Sheet No. 403

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE UNDER
RATE SCHEDULE IT

In consideration of the representations, covenants and conditions contained below, TransColorado Gas Transmission Company ("TransColorado") and Shipper agree, as of _____, that TransColorado will provide transportation service for Shipper on an interruptible basis in accordance with the provisions contained in this Transportation Service Agreement. This Agreement includes all the terms and conditions of TransColorado's FERC Gas Tariff, Volume No. 1, and the terms, conditions and signatures of Shipper's electronic agreement with TransColorado.

1. SHIPPER'S NAME AND ADDRESS:

2. SHIPPER'S STATUS:

_____ Local Distribution Company (LDC)
_____ Intrastate Pipeline Company
_____ Interstate Pipeline Company
_____ Other

3. TRANSPORTATION ON BEHALF OF:

_____ LDC
_____ Intrastate Pipeline Company
_____ Interstate Pipeline Company
_____ Shipper

4. DAILY QUANTITY TO BE TRANSPORTED:

_____ Dth/day

5. RATES

Usage Charge:

_____ The maximum rate on TransColorado's Statement of Rates.
_____ A discounted rate of \$ _____/Dth
_____ See additional terms

Fuel Reimbursement

_____ (Subject to adjustment pursuant to § 12.11 of the General
Terms and Conditions)

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

Second Revised Sheet No. 404 Second Revised Sheet No. 404 : Superseded
Superseding: First Revised Sheet No. 404

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE UNDER
RATE SCHEDULE IT

6. ADDITIONAL FACILITIES CHARGES:

_____ None
_____ Lump-sum payment of _____
_____ Monthly fee of _____
_____ See additional terms

7. TERM OF SERVICE:

One month beginning on _____ with a month to month renewal term.
Termination will become effective upon 14 days notice.

8. ADDITIONAL TERMS:

9. NOTICES TO TRANSCOLORADO UNDER THIS AGREEMENT SHALL BE ADDRESSED TO:

TransColorado Gas Transmission Company
370 Van Gordon Street
P. O. Box 281304
Lakewood, CO 80228-8304

Shipper Approval

(Signature Code)

(Title)

Date: _____

TransColorado Gas Transmission Company
Approval

(Signature Code)

(Title)

Date: _____

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 405 First Revised Sheet No. 405 : Superseded
Superseding: Original Sheet No. 405

Contract No. _____
Amendment No. _____

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO AMENDED FIRM TRANSPORTATION SERVICE UNDER
RATE SCHEDULE FT

In consideration of the representations, covenants and conditions contained below, TransColorado Gas Transmission Company ("TransColorado") and Shipper agree, as of _____, that TransColorado will provide transportation service for Shipper on a firm basis in accordance with the provisions contained in this Transportation Service Agreement. This Agreement includes all the terms and conditions of TransColorado's FERC Gas Tariff, Volume No. 1, and the terms, conditions and signatures of Shipper's electronic agreement with TransColorado.

1. SHIPPER'S NAME AND ADDRESS:

2. RATE SCHEDULE FT CONTRACT DEMAND

_____ Dth/day

3. TERM OF SERVICE:

_____ to _____

4. NOTICE OF TERMINATION:

_____ Month(s) in advance of the end of (i) the primary term or (ii) any termination date after the primary term has ended.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 406 First Revised Sheet No. 406 : Superseded
Superseding: Original Sheet No. 406

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO AMENDED FIRM TRANSPORTATION SERVICE UNDER
RATE SCHEDULE FT

5. PRIMARY RECEIPT POINTS:
_____ Add
_____ Permanent Release

Meter No. Capacity

6. PRIMARY DELIVERY POINTS:
_____ Add
_____ Permanent Release

Meter No. Capacity

7. RATES:
Reservation Charge:

_____ The maximum rate on TransColorado's Statement of Rates.
_____ A discounted rate of \$ _____/Dth/Month
_____ See additional terms

Usage Charge:

_____ The rate on TransColorado's Statement of Rates.
_____ See additional terms.

8. EFFECTIVE DATE OF CHANGES:
_____, 20__

9. ADDITIONAL TERMS AND CONDITIONS:
Shipper Approval

(Signature Code)

(Title)

Date: _____

TransColorado Gas Transmission Company
Approval

(Signature Code)

(Title)

Date: _____

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 407 First Revised Sheet No. 407 : Superseded
Superseding: Original Sheet No. 407

Contract No. _____
Amendment No. _____

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO AMENDED INTERRUPTIBLE TRANSPORTATION SERVICE UNDER
RATE SCHEDULE IT

In consideration of the representations, covenants and conditions contained below, TransColorado Gas Transmission Company ("TransColorado") and Shipper agree, as of _____, that TransColorado will provide transportation service for Shipper on an interruptible basis in accordance with the provisions contained in this Transportation Service Agreement. This Agreement includes all the terms and conditions of TransColorado's FERC Gas Tariff, Volume No. 1, and the terms, conditions and signatures of Shipper's electronic agreement with TransColorado.

1. SHIPPER'S NAME AND ADDRESS:

2. QUANTITY TO BE TRANSPORTED:

Dth/day

3. TERM OF THE AGREEMENT:

One month beginning on _____ with a month to month renewal term.
Termination will become effective upon 14 days notice.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 408 First Revised Sheet No. 408 : Superseded
Superseding: Original Sheet No. 408

FORM OF TRANSPORTATION SERVICE AGREEMENT
APPLICABLE TO AMENDED INTERRUPTIBLE TRANSPORTATION SERVICE UNDER
RATE SCHEDULE IT

4. USAGE CHARGE:
_____ The maximum rate on TransColorado's Statement of Rates.
_____ A discounted rate of \$_____/Dth.
_____ See additional terms.

5. EFFECTIVE DATE OF CHANGES:
_____, 20__

6. ADDITIONAL TERMS AND CONDITIONS:

Shipper Approval

(Signature Code)

(Title)

Date: _____

TransColorado Gas Transmission Company
Approval

(Signature Code)

(Title)

Date: _____

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 409 First Revised Sheet No. 409 : Superseded
Superseding: Original Sheet No. 409

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

THIS TRADING PARTNER AGREEMENT (the "Agreement") is made by and between _____ ("Company") a _____, with offices at _____, and _____ ("Trading Partner"), a _____ corporation, with offices at _____ (collectively, referred to as the "parties").

WHEREAS, the parties desire to facilitate administrative matters, reports and other information exchanged ("Transactions") by electronically transmitting and receiving data in agreed formats in substitution for on-line transmittal and/or for conventional paper-based documents; and

WHEREAS, the parties desire to assure that such Transactions are legally valid and enforceable as a result of the use of available electronic technologies as contemplated herein in place of original, handwritten signatures of the parties for the mutual benefit of said parties; and

WHEREAS, the parties desire to enter into this Agreement to govern their relationship solely with respect to electronic data interchange ("EDI") Transactions utilizing ASC X12 protocols over the public Internet as the electronic delivery mechanism.

NOW THEREFORE, in consideration of the premises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

Section 1. Prerequisites.

1.0. Appendix. The Appendix and Exhibit(s) thereto hereafter are referred to as the "Appendix." The Appendix to this Agreement is attached hereto and made a part hereof for all purposes and shall indicate elections and/or amendments made by the parties by mutual agreement. In the event of a conflict between the provisions in the body of this Agreement and the Appendix, the Appendix will govern.

Effective Date: 07/01/2002 Status: Effective
FERC Docket: RP02-328-000

Second Revised Sheet No. 410 Second Revised Sheet No. 410 : Superseded
Superseding: First Revised Sheet No. 410

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 1. Prerequisites. (Continued)

1.1. Document Standards. Each party may electronically transmit to or receive from the other party any of the transaction sets listed in the Exhibit(s) of the Appendix, and transaction sets which the parties by written agreement add to the Appendix (collectively "Documents"). Any transmission of data which is not a Document shall have no force or effect between the parties. All Documents shall be transmitted in accordance with the North American Energy Standards Board ("NAESB") standards and the published industry guidelines as adopted by the Federal Energy Regulatory Commission ("FERC") or its successor agency ("Standards"), or as may be agreed upon by the parties as set forth in the Appendix.

1.2. Third Party Service Providers.

1.2.1. Documents will be transmitted electronically to each party as specified in the Appendix either directly or through a third party service provider ("Provider") with which either party may contract. Either party may modify its election to use, not use or change a Provider upon 30 days prior written notice to the other party.

1.2.2. Each party shall be responsible for the costs, acts and omissions of any Provider with which it contracts. This provision does not limit any claim of either party against a Provider with respect to such acts or omissions.

1.3. System Operations. Each party, in its sole discretion and at its own expense, shall provide for the requisite hardware, software, services and/or testing procedures necessary to transmit, receive and retrieve Documents.

Effective Date: 07/01/2002 Status: Effective
FERC Docket: RP02-328-000

Second Revised Sheet No. 411 Second Revised Sheet No. 411 : Superseded
Superseding: First Revised Sheet No. 411

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 1. Prerequisites. (Continued)

1.4. Security Procedures. Each party, in its sole discretion and expense, shall use and provide for the requisite levels of security which are reasonably sufficient to ensure that all transmissions of Documents are authorized by the parties and to protect their business records and data from improper access. At a minimum, the parties shall provide and use those security measures specified herein, in the NAESB standards as adopted by the FERC, or as may be agreed upon by the parties as set forth in the Appendix.

1.5. Keys. When the parties are utilizing the Internet electronic delivery mechanism as herein contemplated, each party shall maintain a Pretty Good Privacy ("PGP") "public key," (an encryption algorithm used to facilitate private electronic communication) which may be changed from time to time in accordance with this Agreement or as may be set forth in the Appendix. Each party shall provide to the other party its PGP public key by either (a) a certified or receipted mail service using a diskette with the public key contained in an ASCII text file, or (b) an electronic simple mail transfer protocol (smtp) mail message with the public key contained in the body. Under either option above, the public key shall be verified by the party to whom it is sent by validating the fingerprint of the public key which may be accomplished via telephone, fax, or other comparably reliable means. If a party desires to change its public key, it shall provide at least five business days prior notice thereof to the other party; provided that under an emergency situation, a prior written notice of at least 24 hours shall be given.

1.6. Electronic Signatures. Each party shall adopt as its signature the PGP private key, where required by the Standards or otherwise agreed to by the parties, in the Document transmitted by such party ("Signature Code(s)"). Such Signature Codes(s) shall be specified in the Appendix. Each party agrees that the Signature Code(s) of such party affixed to or contained in any transmitted Document shall be sufficient to verify that such party originated the Document. Neither party shall disclose to any unauthorized person the Signature Code(s) of the other party.

Effective Date: 07/01/2002 Status: Effective
FERC Docket: RP02-328-000

Second Revised Sheet No. 412 Second Revised Sheet No. 412 : Superseded
Superseding: First Revised Sheet No. 412

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 2. Transmissions.

2.1. Proper Receipt. Documents shall not be deemed to have been properly received until accessible to the receiving party at such party's Receipt Computer (designated in the Appendix by Uniform Resource Locator ("URL code")), as evidenced by the receipt of the sending party of the hyper-text transfer protocol ("HTTP") response initiated by the receiving party indicating successful receipt of the Document in accordance with "NAESB" standards. No Document shall have any effect where an HTTP response is not received by the sending party or where an HTTP response has indicated that an error has occurred.

2.2. Verification.

2.2.1. Upon Proper Receipt of any Document, the receiving party shall verify the legitimacy of the Document, process the decryption of the Document as necessary, and translate the Document in accordance with the Standards to determine whether the Document contains all of the required data in proper syntactical form. If the Document is legitimate and successfully decoded, the receiving party shall transmit either a Functional Acknowledgment or a Response Document to the sending party by the Acknowledgment Deadline, all as set forth in the Appendix. A Functional Acknowledgment means an ASC X12 transaction set 997, which confirms (in the format specified thereby) whether or not all required portions of the Document are complete and syntactically correct, but which does not address or otherwise confirm the substantive content of the Document. A Response Document is a transaction set in substitution of the ASC X12 Functional Acknowledgment transaction set 997. For purposes of this Agreement, a Response Document confirms (in the format specified thereby) whether or not the substantive content of the corresponding Document contains data that is sufficiently accurate to effectuate the communication, confirms whether or not all required portions of the Document are complete and syntactically correct and may contain data sent by the receiving party to the sending party in response to the substantive content of the related Document.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 413 First Revised Sheet No. 413 : Superseded
Superseding: Original Sheet No. 413

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 2. Transmissions. (Continued)

2.2.2. If there has not been a Proper Receipt by the sending party of a Functional Acknowledgment or Response Document (as applicable) to a Document for any reason, or there has been a Proper Receipt by the sending party of a Response Document or Functional Acknowledgment indicating error, the Document shall not be relied upon by either party as an effective Document for any purpose and the sending party, within the Retransmission Timeframe (as set forth in the Appendix), may elect to retransmit the Document.

2.2.3. A Functional Acknowledgment, or a Response Document (that has been designated in the Appendix as a substitute for a functional acknowledgment) with Proper Receipt that does not indicate error shall constitute conclusive evidence a Document has been received.

2.3. Garbled Transmissions. If any transmitted Document is received in an unintelligible or garbled form, the receiving party shall promptly notify the originating party (if identifiable from the received Document) in a reasonable manner.

Section 3. Transaction Terms.

3.1. Terms and Conditions. This Agreement is to be considered part of any other written agreement duly executed by the parties referencing it or as referenced by mutual agreement of the parties in the Appendix hereto. The terms of this Agreement shall prevail in the event of a conflict with any of the terms and conditions applicable to any Transaction insofar as such conflict exists between the procedures to be used in the electronic transmission of data set forth herein.

3.2. Confidentiality. No information contained in any Document or otherwise exchanged between the parties shall be considered confidential, except to the extent provided herein or pursuant to the transportation agreements between the parties, other written agreements between the parties or by applicable law.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 414 First Revised Sheet No. 414 : Superseded
Superseding: Original Sheet No. 414

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 3. Transaction Terms. (Continued)

3.3. Validity and Enforceability.

3.3.1. This Agreement has been executed by the parties to evidence their mutual intent to create binding obligations pursuant to the electronic transmission and receipt of Documents specifying certain of the applicable terms.

3.3.2. Any Document properly transmitted pursuant to this Agreement shall be considered to be a "writing" or "in writing"; and any such Document when containing, or to which there is affixed, a Signature Code ("Signed Document") shall be deemed for all purposes to have been "signed" and to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

3.3.3. The parties agree not to contest the validity or enforceability of any Signed Document under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.

Section 4. Miscellaneous.

4.1. Term. This Agreement shall be effective as of the date fully executed by the parties and shall remain in effect until terminated by either party with not less than 30 days prior written notice specifying the effective date of termination; provided, however, that written notice for purposes of this paragraph shall not include notice provided in an EDI format; further provided, however, that a termination pursuant to this section shall not affect the respective obligations or rights of the parties arising under any Documents or otherwise under this Agreement prior to the effective date of termination.

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 415 First Revised Sheet No. 415 : Superseded
Superseding: Original Sheet No. 415

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 4. Miscellaneous. (Continued)

4.2. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, then as of such determination, this Agreement in its entirety shall be deemed ineffective and unenforceable by the parties.

4.3. Entire Agreement. This Agreement, the Appendix and any duly executed amendments or exhibits thereto shall constitute the complete agreement of the parties relating to the matters specified in this Agreement and supersede all prior representations or agreements, whether oral or written, with respect to such matters. No oral modification or waiver of any of the provisions of this agreement shall be binding on either party. No obligation to enter into any Transaction is to be implied from the execution or delivery of this Agreement. This Agreement is solely for the benefit of, and shall be binding solely upon, the parties their agents and their respective successors and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the parties hereto and no other party shall have any right, claim or action as a result of this Agreement. There are no third party beneficiaries to this Agreement.

4.4. Governing Law. This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the state of Texas, without regard to its conflicts of laws provisions.

4.5. Force Majeure. No party shall be liable for any failure to perform its obligations in connection with any Transaction or any Document, where such failure results from any act of God or other cause beyond such party's reasonable control (including, without limitation, any mechanical, electronic or communications failure) which prevents such party from transmitting or receiving any documents and which, by the exercise of due diligence, such party is unable to prevent or overcome.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 416 First Revised Sheet No. 416 : Superseded
Superseding: Original Sheet No. 416

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 4. Miscellaneous. (Continued)

4.6. Exclusion of Damages. Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any Documents pursuant to this Agreement, even if either party has been advised of the possibility of such damages and REGARDLESS OF FAULT. Damages are limited to direct damages to software and hardware arising from this Agreement and shall be set forth in the Appendix.

4.7. Notices. Unless otherwise provided in this Agreement, all notices required or permitted to be given with respect to this Agreement shall be given by mailing the same postage prepaid, or given by fax or by courier, or by other methods specified in the Appendix to the addressee party at such party's address as set forth in the Appendix. Either party may change its address for the purpose of notice hereunder by giving the other party no less than five (5) days prior written notice of such new address in accordance with the preceding provisions.

4.8. Assignment. This Agreement may not be assigned or transferred by either party without the prior written approval of the other party, which approval shall not be unreasonably withheld; provided, any assignment or transfer, whether by merger or otherwise, to a party's affiliate or successor in interest shall be permitted without prior consent if such party assumes this Agreement.

4.9. Waivers. No forbearance by any party to require performance of any provision of this Agreement shall constitute or be deemed a waiver of such provision or any other or the right thereafter to enforce it.

4.10. Counterparts. This Agreement may be executed in any number of original counterparts all of which shall constitute but one and the same instrument.

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 417 First Revised Sheet No. 417 : Superseded

Superseding: Original Sheet No. 417

TRADING PARTNER AGREEMENT
for the Electronic Data Interchange
of Information Over the Public Internet

Section 4. Miscellaneous. (Continued)

4.11. Superseding Conflicts. If either party to this Agreement determines that this Agreement or any provision thereof is in conflict with either that party's existing tariff or any obligation imposed by a governmental entity exercising jurisdiction over that party, then that party shall give notice to the other defining which terms of this Agreement are affected, and the reasons therefor, and may provide notice of termination of this Agreement as provided in Section 4.7, effective immediately upon receipt of such notice by the other party to this Agreement.

4.12. Special Provisions.

Company: _____

By: _____

Name: _____

Title: _____

Date: _____

Trading Partner: _____

By: _____

Name: _____

Title: _____

Date: _____

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 418 First Revised Sheet No. 418 : Superseded
Superseding: Original Sheet No. 418

APPENDIX

ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

between _____

and _____

DATE _____
TO BE EFFECTIVE _____ (DATE)

1. COMPANY NAME _____
STREET _____
CITY _____
STATE/PROVINCE/COMMONWEALTH _____
ZIP/POSTAL CODE _____
ATTENTION _____
(NAME, TITLE)
PHONE _____
FAX _____
OTHER NOTICE METHOD
& ADDRESS (e-mail) _____
DUNS NUMBER _____
COMPANY NAME _____
STREET _____
CITY _____
STATE/PROVINCE/COMMONWEALTH _____
ZIP/POSTAL CODE _____
ATTENTION _____
(NAME, TITLE)
PHONE _____
FAX _____
OTHER NOTICE METHOD
& ADDRESS (e-mail) _____
DUNS NUMBER _____

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 419 First Revised Sheet No. 419 : Superseded
Superseding: Original Sheet No. 419

APPENDIX
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT
between _____
and _____
DATE _____
TO BE EFFECTIVE _____ (DATE)

RECEIPT COMPUTER:

COMPANY NAME: _____
INTERNET ADDRESS (URL) _____
ISA QUALIFIER _____
ISA ID _____

FOR PUBLIC KEY CHANGES OR EMERGENCY KEY VERIFICATION:

CONTACT NAME: _____
E-MAIL ADDRESS: _____
PHONE NUMBER: _____

COMPANY NAME: _____
INTERNET ADDRESS (URL) _____
ISA QUALIFIER _____
ISA ID _____

FOR PUBLIC KEY CHANGES OR EMERGENCY KEY VERIFICATION:

CONTACT NAME: _____
E-MAIL ADDRESS: _____
PHONE NUMBER: _____

2. STANDARDS: _____

3. INDUSTRY GUIDELINE: _____

The mutually agreed provisions of this Exhibit shall control in the event of any conflict with any listed industry guidelines.

4. SECURITY PROCEDURES: _____

5. TERMS AND CONDITIONS: _____

6. DATA RETENTION: _____

7. REFERENCED AGREEMENTS: _____

8. LIMITATION ON DIRECT DAMAGES: _____

9. CONFIDENTIAL INFORMATION: _____

Effective Date: 05/15/2000 Status: Effective
FERC Docket: GT00- 25-000

First Revised Sheet No. 420 First Revised Sheet No. 420 : Superseded
Superseding: Original Sheet No. 410

APPENDIX
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT
between _____
and _____
DATE _____
TO BE EFFECTIVE _____ (DATE)

LIST OF EXHIBITS

EXHIBIT NUMBER	TRANSACTION SET NUMBER	NATURAL GAS DOCUMENT NAME
-------------------	---------------------------	---------------------------

All Exhibits, attached hereto are to be considered attached to the Appendix and made a part thereof. Where there are any provisions specified both in the Exhibit(s) and in the Appendix, those contained in the Exhibit(s) govern.

The undersigned do hereby execute this Appendix, which Appendix is attached to and made a part of the above referenced Trading Partner Agreement. By execution below the parties hereby ratify said Agreement for all purposes set forth in this Appendix and the attached Exhibit(s).

COMPANY NAME: _____
BY: _____
PRINTED NAME: _____
TITLE: _____

COMPANY NAME: _____
BY: _____
PRINTED NAME: _____
TITLE: _____

Effective Date: 05/15/2000 Status: Effective
 FERC Docket: GT00- 25-000

First Revised Sheet No. 421 First Revised Sheet No. 421 : Superseded
 Superseding: Original Sheet No. 421

APPENDIX
 ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT
 between _____
 and _____
 DATE _____
 TO BE EFFECTIVE _____ (DATE)
 COVERING TRANSACTION SET NUMBER _____

DOCUMENT SPECIFIC OPERATING INFORMATION: (This section covers only the originating Document and its Functional Acknowledgment or identification and timing of substitute Response Document.)

NATURAL GAS DOCUMENT NAME _____
 ASC X12 VERSION RELEASE NO. _____

ROW NUM	ITEMS	ORIGINATING PARTY	RECEIVING PARTY
1	COMPANY NAME		
2	EDI COMMUNICATION PHONE NUMBER		
3	THIRD PARTY SERVICE PROVIDER NAME		
4	RECEIPT COMPUTER		
5	ISA QUALIFIER		
6	ISA ID CODE		
7	GS ID CODE		
8	FUNCTIONAL 997 DOCUMENT ACKNOWLEDGMENT (FA) (Y/N)	N/A	
9	FA RETURN TIME FRAME	N/A	
10	RESPONSE DOCUMENT (RSP) NUMBER/NAME	N/A	
11	FUNCTIONAL ACKNOWLEDGMENT OF RESPONSE	N/A	
12	RSP RETURN TIME FRAME	N/A	
13	ACCEPTANCE DOCUMENT (ACPT)	N/A	
14	FUNCTIONAL ACKNOWLEDGMENT OF ACCEPTANCE	N/A	N/A
15	ACPT RETURN TIME FRAME	N/A	
16	RETRANSMIT TIME FRAME (ORIGINAL DOCUMENT)	N/A	N/A
17	SIGNATURE CODE		

Effective Date: 05/15/2000 Status: Effective

FERC Docket: GT00- 25-000

First Revised Sheet No. 422 First Revised Sheet No. 422 : Superseded
Superseding: Original Sheet No. 422

APPENDIX
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT
between _____
and _____
DATE _____
TO BE EFFECTIVE _____ (DATE)
COVERING TRANSACTION SET NUMBER _____

The undersigned do hereby execute this Exhibit pursuant to the Agreement attached and do hereby ratify said Agreement for all purposes set forth in this Exhibit.

COMPANY NAME: _____

BY: _____

PRINTED NAME: _____

TITLE: _____

COMPANY NAME: _____

BY: _____

PRINTED NAME: _____

TITLE: _____

Effective Date: 11/01/2001 Status: Effective
FERC Docket: RP02- 5-001

Substitute Original Sheet No. 423 Substitute Original Sheet No. 423 : Superseded

(FOR RATE SCHEDULE PALS)

Contract No. _____

TRANSCOLORADO GAS TRANSMISSION COMPANY
PARK AND LOAN SERVICE AGREEMENT _____ DATED _____
UNDER SUBPART _____ OF PART 284 OF THE FERC'S REGULATIONS

1. SHIPPER is _____, a _____.
2. Maximum Aggregate Quantity (Dth) _____ (On any day, the total of all MAQ ROs can never exceed this quantity.)
3. Maximum Daily Quantity (Dth) _____ (The total of all MDQ RO can never exceed this quantity).
4. TERM: _____ through _____ and month to month thereafter until terminated by prior written notice by either party. Termination shall not discharge any obligations accrued prior to such termination.
5. Service will be ON BEHALF OF: _____ Shipper or
_____ Other: _____.
6. SHIPPER'S ADDRESS _____ TRANSCOLORADO'S ADDRESS _____

7. This Agreement supersedes and cancels a _____ Agreement dated _____.
Other: _____.
8. PALS Request Order: The form of the PALS RO attached hereto or such other mutually agreeable form, when executed by the parties shall evidence their agreement as to the terms of the particular transaction for the Park and Loan Service pursuant to this Agreement, including the quantity, rate, Receipt and Delivery Points for parking and loaning and the term. The PALS RO may specify a range for the quantity and term of a Park and Loan. A single PALS RO may cover both a park and loan within limits specified.
9. PARK AND LOAN QUANTITY:
(i) Park Service: shall consist of TransColorado's receipt of a quantity of natural gas at the designated Receipt Point(s) on the designation date(s), requested by Shipper under a PALS RO and approved by TransColorado, TransColorado's holding of such parked quantity of gas for Shipper's account and TransColorado's redelivery of the parked quantity of gas to Shipper at the designated Delivery Point(s) and on the designation date(s) set forth in such PALS RO.

Effective Date: 11/01/2001 Status: Effective
FERC Docket: RP02- 5-001

Substitute Original Sheet No. 424 Substitute Original Sheet No. 424 : Superseded

(FOR RATE SCHEDULE PALS) Contract No. _____
TRANSCOLORADO GAS TRANSMISSION COMPANY

PARK AND LOAN SERVICE AGREEMENT _____ DATED _____
UNDER SUBPART _____ OF PART 284 OF THE FERC'S REGULATIONS

(ii) Loan Service: shall consist of TransColorado loaning a specified quantity of natural gas, requested by Shipper and approved by TransColorado, from designated Delivery Point(s) set forth in Shipper's PALS RO and the Shipper's redelivery of and TransColorado's acceptance of such volumes for Shipper's account at the designated Receipt Point(s) on the designated date(s) set forth in such PALS RO.

10. RATES: Except as provided below or in any written agreements between the parties in effect during the term hereof, Shipper shall pay TransColorado the applicable maximum rates and all other lawful charges as specified in TransColorado's applicable rate schedule. Shipper and TransColorado may agree that Shipper shall pay a rate other than the applicable maximum rate so long as such rate is between the applicable maximum and minimum rates specified for such service in the tariff. TransColorado and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. The parties may agree that a specified discounted rate will apply only to specified volumes (MDQ, MAQ or commodity volumes) under the agreement; that a specified discounted rate will apply only if specified volumes are achieved or the volumes do not exceed a specified level; that a specified discounted rate will apply only during specified periods of the year or for a specifically defined period; that a specified discounted rate will apply only to specified points, zones or other defined geographical area(s); and/or that a specified discounted rate(s) will apply in a specified relationship to the volumes actually tendered. If the parties agree upon a rate other than the applicable maximum rate, such written Agreement(s) shall specify that the parties mutually agree either: (1) that the agreed rate is a discount rate; or (2) that the agreed rate is a Negotiated Rate (or Negotiated Rate Formula). In the event that the parties agree upon a Negotiated Rate or Negotiated Rate Formula, this Agreement shall be subject to Section 23 of the General Terms and Conditions of TransColorado's Tariff.

11. The above-stated Rate Schedule, as revised from time to time, controls this Agreement and is incorporated herein. The attached is a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF COLORADO, AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing.

Agreed to by:
TRANSCOLORADO SHIPPER
By: _____ By: _____
NAME: _____ NAME: _____
TITLE: _____ TITLE: _____

Effective Date: 11/01/2001 Status: Effective
FERC Docket: RP02- 5-000

Original Sheet No. 425 Original Sheet No. 425 : Superseded

PALS REQUEST ORDER FORM
DATED _____

RO No. _____

Shipper: _____ Type of Service: Park _____ Loan _____
Initiation Points Name(s) and PIN(s) _____ MAQ RO: _____ (Dth)

Completion Point Name(s) and PIN(s) _____ Minimum Aggregate Quantity _____

Term: Start _____ End _____ PALS Agreement #: _____

Schedule:

Date(s) Service to be Provided Daily Quantity (Dth)
(May Reflect a Range of Dates) (May Reflect a Range of Volumes)

From	Through	Park or Loan Minimum	Payback Maximum	Loan or Park Minimum	Withdrawal Maximum
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Rates: Rates may vary based on volume, time period, etc., as set out in the Pro Forma Service Agreement.
Park or Loan Payback=volumes which TransColorado receives from Shipper.
Loan or Park Withdrawal=volumes which TransColorado delivers to Shipper.

Initial Rate: _____
Completion Rate: _____
Park/Loan Balance Rate: _____

Service will be ON BEHALF OF:
_____ Shipper [] or _____ Other [] _____,
a _____

SHIPPER S CONTACT AND ADDRESS

Phone: _____ Fax: _____
Other Conditions, (if any): _____

Agreed to by:
TRANSCOLORADO SHIPPER
By: _____ By: _____
NAME: _____ NAME: _____
TITLE: _____ TITLE: _____

